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**WEST JEFFERSON LEVEE DISTRICT
A COMPONENT UNIT OF THE
STATE OF LOUISIANA**

**ANNUAL FINANCIAL REPORT
Year Ended June 30, 2002**

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Under provisions of state law, this report is a public document. A copy of the report has been submitted to the entity and other appropriate public officials. The report is available for public inspection at the Baton Rouge office of the Legislative Auditor and, where appropriate, at the office of the parish clerk of court.

Release Date 9/10/02

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FINANCIAL SECTION

INDEPENDENT AUDITOR'S REPORT

Board of Commissioners
West Jefferson Levee District
Marrero, Louisiana

I have audited the accompanying basic financial statements of the West Jefferson Levee District (the "District"), a component unit of the State of Louisiana, as of and for the year ended June 30, 2002, as listed in the table of contents. These financial statements are the responsibility of the District's management. My responsibility is to express an opinion on these basic financial statements based on my audit.

I conducted my audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall basic financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

In my opinion, the basic financial statements referred to above present fairly, in all material respects, the financial position of the West Jefferson Levee District as of June 30, 2002 and the results of its operations and the respective budgetary comparison for the General fund for the year then ended, in conformity with accounting principles generally accepted in the United States..


As described in Note I to the basic financial statements, the District has implemented GASB No. 33, "Accounting and Financial Reporting for Non-Exchange Transactions", GASB No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments", GASB Statement No. 36, "Recipient Reporting for Certain Shared Non-exchange Revenues", GASB Statement No. 37, "Basic Financial Statement - and Management's Discussion and Analysis -for State and Local Governments - Omnibus", and GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements" as of July 1, 2001. This results in a change in the format and content of the basic financial statements.

My audit was made for the purpose of forming an opinion on the basic financial statements of the District, taken as a whole. The Combining and Individual Fund Statements and Schedules, and the Supplemental Information, as listed in the table of contents, is presented for purposes of additional analysis and is not a required part of the financial statements of the West Jefferson Levee District. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The schedule of expenditures of federal awards included in the Supplemental Information section is also presented for purposes of additional analysis as required by U.S. Office of Management and Budget Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*, and is not a required part of the basic financial statements. Such information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in my opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole.

The Management's Discussion and Analysis on pages 3 through 10 is not a required part of the basic financial statements but is supplementary information required by the Governmental Accounting Standards Board. I have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presentation of the supplementary information. However, I did not audit the information and express no opinion on it.

In accordance with *Government Auditing Standards*, I have also issued a report dated August 23, 2002, on my consideration of the District's internal control over financial reporting and our tests of compliance with laws, regulations, contracts and grants. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* and should be read in conjunction with this report in considering the results of my audit.


August 23, 2002

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of the West Jefferson Levee District, we offer readers of the District's financial statements this narrative overview and analysis of the financial activities of the West Jefferson Levee District for the fiscal year ended June 30, 2002. We encourage readers to consider the information presented here in conjunction with the financial statements. All amounts, unless otherwise noted, are expressed in thousands of dollars.

FINANCIAL HIGHLIGHTS

- Because the District is a component unit of the State of Louisiana, it was required to adopt the requirements of GASB Statement No. 34, effective July 1, 2001. Thus, the format and contents of the financial report have changed significantly from the previous year. Because the restatement of the prior year financial statements into the new format was impractical, this management's discussion and analysis will only focus on the current year. In the future, as comparative statements are available, financial comparisons will be explained from year to year.
- The assets of the District exceeded its liabilities at the close of the most recent fiscal year by \$45,187 (*net assets*). Of this amount, \$4,395 (*unrestricted net assets*) or 9.7 percent may be used to meet the government's ongoing obligations to citizens and creditors.
- The District's total net assets increased by \$5,861 or 14.9 percent during the current year. The majority of this increase is due to the \$4,749 received in capital grants (State-wide Flood Control and State Capital Outlay monies) for the Westbank Hurricane Protection Levee. This money was spent on the Westbank Hurricane Protection Levee, however, those costs were capitalized as construction in progress or infrastructure. Thus, the program revenue runs through the statement of activities, while the related expenses appear on the statement of net assets.
- As of the close of the current fiscal year, the District's governmental funds reported combined ending fund balances of \$4,624, a decrease of \$571 or 10.9 percent in comparison with the prior year. Approximately 98 percent of this total amount, \$4,505, is available for spending at the government's discretion (*unreserved fund balance*). There are, however, some board designations that limit the spending of some of these balances (see Note D.7).
- At the end of the current fiscal year, unreserved fund balance for the general fund was \$589, or 26.4 percent of total general fund expenditures.
- The District's total long-term debt decreased by \$156 or 15.8 percent during the current fiscal year. The key factor in this decrease was no new issuance of long-term debt and the payment of \$160 on the outstanding 1996 Excess Revenue Bonds.

OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis are intended to serve as an introduction to the West Jefferson Levee District's basic financial statements. As noted above, the District's adoption of GASB Statement No. 34 significantly changed the format and presentation of the District's financial report. The District's basic financial statements are comprised of three components: 1) government-wide financial statements, 2) fund financial statements, and 3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

Government-wide financial statements. The "government-wide financial statements" are designed to provide readers with a broad overview of the District's finances, in a manner similar to a private-sector business.

The "statement of net assets" presents information on all of the District's assets and liabilities, with the difference between the two reported as *net assets*. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position of the District is improving or deteriorating.

The “statement of activities” presents information showing how the government’s net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, *regardless of the timing of related cash flows*. Thus, revenues and expense are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., uncollected taxes and earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions of the District that are principally supported by taxes and intergovernmental revenues (*governmental activities*) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (*business-type activities*). The District only has governmental activities in the public works function. This function includes executive, administrative, and maintenance/construction activities.

The government-wide financial statements include only the financial activities of the West Jefferson Levee District, which is a component unit of the State of Louisiana. The State of Louisiana (the primary government) issues financial statements that include the activity contained in these financial statements. The State’s financial statements are issued by the Louisiana Division of Administration – Office of Statewide Reporting and Accounting Policy and are audited by the Louisiana Legislative Auditor.

The government-wide financial statements can be found on pages 12 and 13 of this report.

Fund financial statements. A “fund” is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. The District, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. The District’s funds are classified as “governmental funds”.

Governmental funds. “Governmental funds” are used to account for essentially the same functions reported as “governmental activities” in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on *near-term inflows and outflows of spendable resources*, as well as on *balances of spendable resources* available at the end of the fiscal year. Such information may be useful in evaluating a government’s near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for “governmental funds” with similar information presented for “governmental activities” in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government’s near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures, and changes in fund balances provide a reconciliation to facilitate this comparison between “governmental fund” and “governmental activities”.

The District maintains six individual governmental funds. Information is presented separately in the governmental fund balance sheet and in the governmental statement of revenues, expenditures, and changes in fund balances for the General fund, the Emergency Special Revenue Fund, the West Bank Hurricane Levee Capital Project fund, and the Lafitte Levee Capital Project fund, all of which are considered to be major funds. Data from the other two governmental funds are combined into a single, aggregated presentation. Individual fund data for each of these nonmajor governmental funds is provided in the form of “combining statements” elsewhere in this report.

The District adopts an annual appropriated budget for its General fund. A budgetary comparison statement has been provided for the General fund to demonstrate compliance with this budget.

The basic governmental fund financial statements can be found on pages 14 -17 of this report.

Notes to the Financial Statements. The notes provide additional information that is essential to a full understanding of the data provided in the government-wide and fund financial statements. The notes to the financial statements can be found on pages 19 – 40 of this report.

Other information. The combining statements referred to earlier in connection with nonmajor governmental funds are presented immediately following the notes to the financial statements. Combining statements for nonmajor funds can be found on pages 43 – 45 of this report. Individual fund statements and schedules, which show additional detailed financial information of some of the major funds, is found on pages 48 – 55. Supplemental information, including a Schedule of Commissioners' Per Diem, a Schedule of State Funding, a Schedule of Expenditures of Federal Funds, and the Division of Administration's Reporting Package are included on pages 58 - 101.

GOVERNMENT-WIDE FINANCIAL ANALYSIS

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. In the case of the District, assets exceeded liabilities by \$45,187 at June 30, 2002.

By far the largest portion of the District's net assets (90.0 percent) reflects its investment in capital assets (e.g., land, buildings, furniture and fixtures, machinery, vehicles and equipment, and infrastructure), less any related debt used to acquire those assets that is still outstanding. The District used these capital assets to provide services to citizens; consequently, these assets are *not* available for future spending. Although the District's investment in its capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other resources, since the capital assets themselves cannot be used to liquidate these liabilities.

WEST JEFFERSON LEVEE DISTRICT'S NET ASSETS

	Governmental Activities 2002	
Current and other assets	\$ 5,711	
Capital assets	41,293	
Total assets	<u>47,004</u>	
Long-term liabilities outstanding	831	
Other liabilities	986	
Total liabilities	<u>1,817</u>	
Net assets:		
Invested in capital assets, net of related debt	40,673	90.0%
Restricted	119	0.3%
Unrestricted	4,395	9.7%
Total net assets	<u>\$ 45,187</u>	

An additional portion of the District's net assets (0.3 percent) represents resources that are subject to external restrictions on how they may be used. The remaining balance of *unrestricted net assets* (\$4,395 or 9.7 percent) may be used to meet the government's ongoing obligations to citizens and creditors.

At June 30, 2002, the District is able to report positive fund balances in all three categories of net assets.

The District's net assets increased by \$5,861 during the current fiscal year. The majority of this increase is caused by the capital grant program revenue flowing through the statement of activities, while the related disbursements of these funds have been capitalized on the statement of net assets as construction in progress or infrastructure.

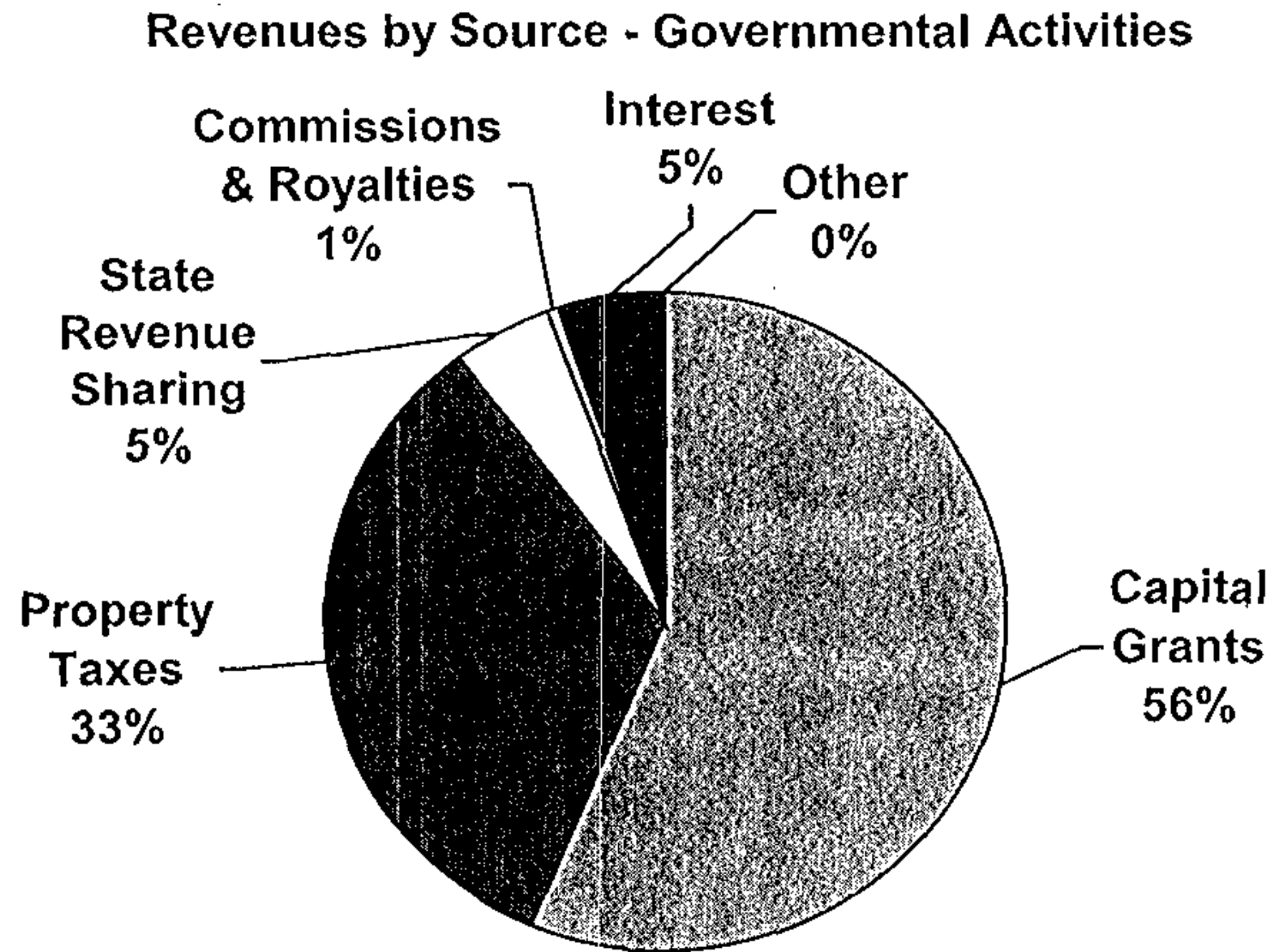
Governmental Activities. Governmental activities increased the District's net assets by \$5,861. Key elements of this increase are as follows:

WEST JEFFERSON LEVEE DISTRICT'S CHANGES IN NET ASSETS

	Governmental Activities <u>2002</u>
Revenues:	
Program revenues:	
Charges for services	\$ -
Operating grants and contributions	-
Capital grants and contributions	4,749
General revenues:	
Property taxes	2,816
State revenue sharing	397
Commissions and royalties	54
Interest	411
Other	(11)
Total revenues	<u>8,416</u>
Expenses:	
Public works	
Executive	140
Administrative	425
Maintenance	1,316
Nondepartmental	293
Unallocated depreciation	340
Interest on long-term debt	41
Total expenses	<u>2,555</u>
Increase in net assets	5,861
Net assets - Beginning of year	39,326
Net assets - end of year	<u>\$ 45,187</u>

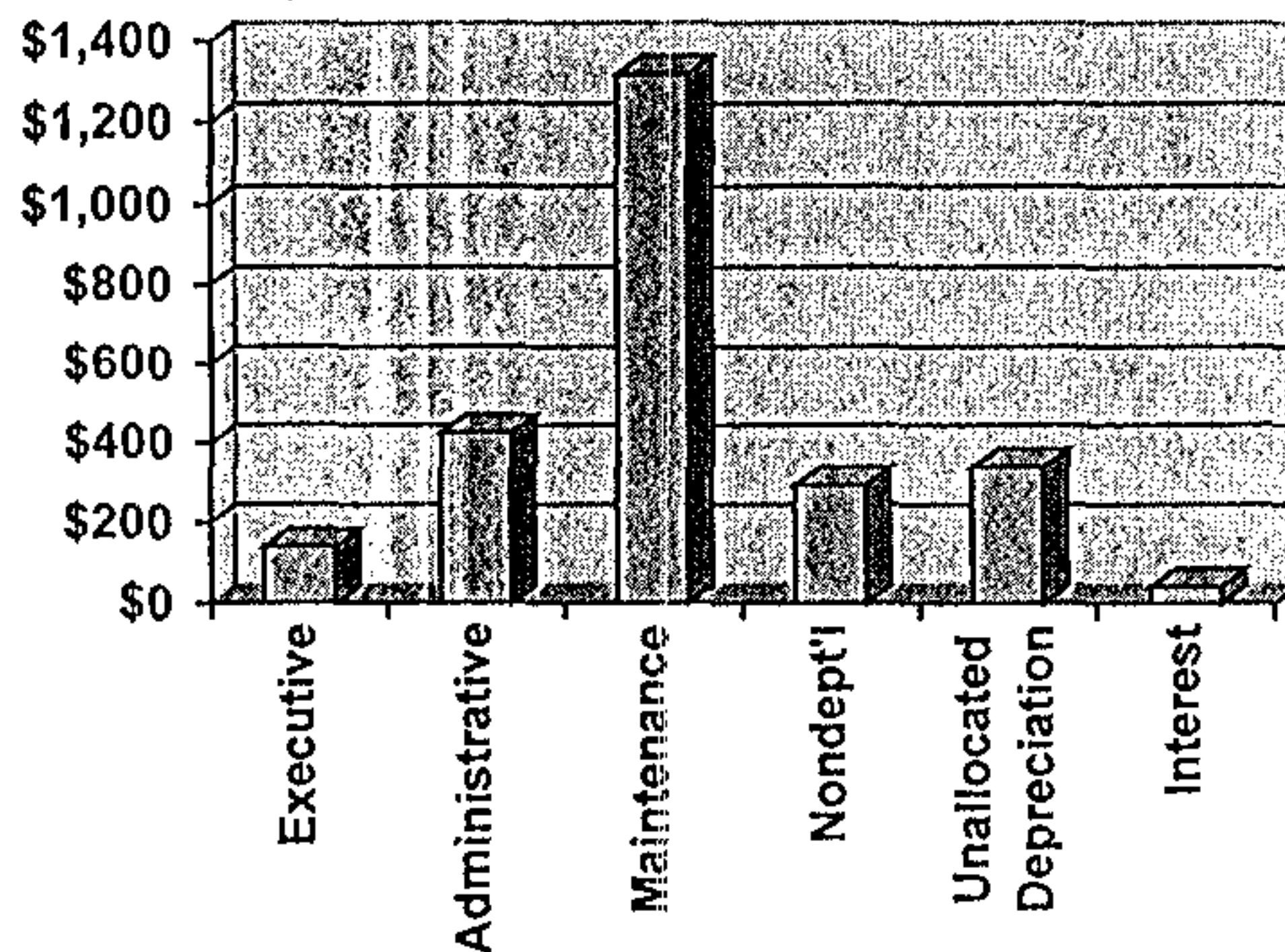
- Property taxes increased by \$312 or 12.5 percent during the year. Most of this increase is due to the roll-forward of the millage rate from 4.89 in 2000 to 5.03 in 2001. Increases were also seen in the assessed values of property within the District's boundaries.
- Capital grants for governmental activities actually decreased by \$3. Approximately the same amount of money was received from State-wide Flood Control and State Capital Outlay as in the previous year.
- Interest income was down substantially (\$163) due to the decline in rates seen over the past year.

A breakdown of the revenues received by the District's governmental activities is as follows:



For the most part, increases in expenses closely paralleled inflation and growth in the demand for services. The maintenance department continues to make up most of the expenses of the District (51.5 percent).

West Jefferson Levee District - Expenses by Function/Segment



FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As noted earlier, the District uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements.

Governmental Funds. The focus of the District's "governmental funds" is to provide information on near-term inflows, outflows, and balances of *spendable* resources. Such information is useful in assessing the District's financing requirements. In particular, *unreserved fund balance* may serve as a useful measure of a government's net resources available for spending at the end of the fiscal year.

As of June 30, 2002, the District's governmental funds reported combined ending fund balances of \$4,624, a decrease of \$(571) or 10.9 percent in comparison with the prior year. Approximately 98 percent of this total amount (\$4,505) constitutes *unreserved fund balance*, which is available for spending at the government's discretion. The remainder of fund balance is *reserved* to indicate that it is not available for new spending because it has already been committed to pay debt service (\$119).

The General fund is the chief operating fund of the District. At June 30, 2002, unreserved fund balance of the General fund was \$589 (which is 100 percent of the total fund balance). As a measure of the General fund's liquidity, it may be useful to compare both unreserved fund balance and total fund balance to total fund expenditures. Unreserved and total fund balance represents 26.4 percent of total general fund expenditures.

The fund balance of the District's General fund increased by \$404 during the current fiscal year. Key factors in this growth are as follows:

- A roll-forward of the millage rate from 4.89 in 2000 to 5.03 in 2001 was the main reason there was a \$312 increase in property taxes. Some of the increase was also due to slightly higher assessed values.
- State sources increased/decreased by \$30 because the increase in property taxes affected the state revenue sharing distribution.
- Interest income decreased by \$25 due to declining rates.
- Miscellaneous revenues decreased by \$124 due to a nonrecurring claim settlement in the prior year.

The Emergency Special Revenue fund has a total fund balance of \$731 at year-end, all of which is designated to be used only in emergencies.

The Westbank Hurricane Levee Capital Project fund has a total fund balance of \$1,218, all of which is dedicated to the hurricane protection levee project. The fund balance of this fund decreased by \$(1,429) during the current fiscal year. The decrease is primarily due to ongoing construction on the levee project.

The Lafitte Levee Capital Project fund has a total fund balance of \$1,967. This money is to be used for additional planning work in the Lafitte area as well as for matching possible future federal grant money. This fund saw a current year increase to fund balance of \$431, funded primarily from operating transfers from the General Fund.

GENERAL FUND BUDGETARY HIGHLIGHTS

The District did not make any amendments to its original budget during the fiscal year ended June 30, 2002. Revenues and other sources came in 7.7 percent over the original budget and expenditures and other uses were 5.3 percent under the original budget. The main overage in the revenues came in property taxes, due to the roll-forward of the millage rate to 5.03. The largest under budget items were the maintenance department (\$117) and capital outlay (\$61). The maintenance department was under budget in salaries (\$46) and levee supplies (\$89).

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets. The District's investment in capital assets for its governmental activities as of June 30, 2002 amounts to \$40,673 (net of accumulated depreciation). This investment in capital assets includes land, buildings, furniture and fixtures, machinery, vehicles and equipment, and infrastructure (i.e., levees, floodwalls, floodgates, etc.). The District's investment in capital assets increased by \$6,275 or 17.9 percent this year.

Major capital asset events during the current fiscal year included the following:

- \$263 was spent on new tractors and mowers.
- Construction in progress related to the Westbank Hurricane Protection Levee reached \$17,862. Certain lifts on the West of Harvey section were begun during the year. Also, certain lifts were completed. Total capitalized infrastructure amounted to \$18,276 at June 30, 2002.

WEST JEFFERSON LEVEE DISTRICT'S CAPITAL ASSETS (NET OF DEPRECIATION)

	Governmental Activities	
	2002	2001
Land	\$ 6,211	\$ 6,211
Buildings	753	828
Furniture and fixtures	21	28
Machinery, vehicles and equipment	660	523
Infrastructure	15,886	15,642
Construction in progress	17,862	11,886
Total	<u>\$ 41,393</u>	<u>\$ 35,118</u>

Additional information on the District's capital assets can be found in Note D.3 on pages 29 and 30.

Long-term Debt. At the end of the current fiscal year, the District had total bonded debt outstanding of \$720. This amount is made up of excess revenue bonds issued in 1997. These certificates are secured by, and payable from, a pledge of the annual revenues of the District, sufficient to pay principal and interest through April 1, 2006.

WEST JEFFERSON LEVEE DISTRICT'S OUTSTANDING LONG-TERM DEBT GENERAL OBLIGATION AND REVENUE BONDS

	Governmental Activities	
	2002	2001
1996 Excess Revenue Bonds	\$ 720	\$ 880
Total	<u>\$ 720</u>	<u>\$ 880</u>

The District's total long-term debt decreased by \$156 or 15.8 percent during the current fiscal year. The key factor in this decrease was the payments on the 1996 bonds.

State statutes limit the amount of general obligation debt a governmental entity may issue to 10 percent of its total assessed valuation. The current debt limit for the District is \$57,962. The District has no general obligation debt subject to this limitation.

Additional information on the District's long-term debt can be found in Note D.5 on pages 31 and 32 of this report.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

- The unemployment rate for the Parish of Jefferson is currently 4.6 percent, which is an increase from a rate of 3.9 a year ago. While an increase was noted, it still compares favorably to the state averages.
- Inflationary trends in the region compare favorably to national indices.
- The ad valorem millage rate levied for the 2002 tax roll was 5.03 mills. This is the same as the prior year. Assessed values are expected to remain at or about the same as in 2001 (\$579,619).

All of these factors were considered in preparing the District's budget for the 2002-2003 fiscal year.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the District's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to the Board President, West Jefferson Levee District, 7001 River Road, Marrero, LA 70072.

BASIC FINANCIAL STATEMENTS

**WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA**

**STATEMENT OF NET ASSETS
JUNE 30, 2002**

	<u>GOVERNMENTAL ACTIVITIES</u>
ASSETS	
Cash and cash equivalents	\$ 5,109,726
Investments	-
Receivables (net of allowance for uncollectibles)	500,642
Capital assets (net of accumulated depreciation)	
Land	6,211,545
Buildings	752,854
Furniture and fixtures	20,703
Machinery, vehicles and equipment	660,109
Infrastructure	15,885,949
Construction in progress	17,862,210
TOTAL ASSETS	<u>47,003,738</u>
LIABILITIES	
Accounts payable and other current liabilities	931,876
Accrued payroll and deductions	39,455
Revenue/grant anticipation notes payable	15,000
Noncurrent liabilities:	
Due within one year	280,502
Due in more than one year	550,000
TOTAL LIABILITIES	<u>1,816,833</u>
NET ASSETS	
Invested in capital assets, net of related debt	40,673,370
Restricted for:	
Debt service	118,720
Other	-
Unrestricted	4,394,815
TOTAL NET ASSETS	<u>\$ 45,186,905</u>

The accompanying notes are an integral part of this statement.

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA

STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2002

FUNCTION/BUREAU	EXPENSES	PROGRAM REVENUES			NET (EXPENSE) REVENUE AND CHANGES IN NET ASSETS
		CHARGES FOR SERVICES	OPERATING GRANTS AND CONTRIBUTIONS	CAPITAL GRANTS AND CONTRIBUTIONS	
Primary Government					PRIMARY GOVERNMENT
Governmental Activities:					GOVERNMENTAL
Public Works					ACTIVITIES
Executive	\$ 140,447	\$ 257	\$ -	\$ -	\$ (140,190)
Administrative	425,221	-	-	-	(425,221)
Maintenance	1,316,128	-	-	-	(1,316,128)
Nondepartmental	292,940	-	-	4,748,624	4,455,684
Unallocated depreciation expense	339,653	-	-	-	(339,653)
Interest on long-term debt	40,565	-	-	-	(40,565)
Total governmental activities	\$ 2,554,954	\$ 257	\$ -	\$ 4,748,624	2,193,927
GENERAL REVENUES:					
Property taxes					
State Revenue Sharing					
Commissions and royalties					
Unrestricted interest					
Gain (loss) on sale of equipment					
Other					
TRANSFERS IN (OUT)					
TOTAL GENERAL REVENUE AND TRANSFERS					
3,666,935					
CHANGE IN NET ASSETS					
5,860,862					
NET ASSETS					
Beginning of year (as restated)					
39,326,043					
End of year					
\$ 45,186,905					

The accompanying notes are an integral part of this statement.

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA

GOVERNMENTAL FUNDS
BALANCE SHEET
JUNE 30, 2002

	GENERAL	EMERGENCY FUND	WESTBANK HURRICANE PROTECTION LEVEE	LAFITTE LEVEE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
ASSETS						
Cash and cash equivalents	\$ 382,838	\$ 742,333	\$ 1,873,025	\$ 1,987,470	\$ 124,060	\$ 5,109,726
Investments	-	-	-	-	-	-
Receivables (net of allowance for uncollectibles)	-	-	500,642	-	-	500,642
Due from other funds	1,172,309	-	20,851	-	-	1,193,160
TOTAL ASSETS	\$ 1,555,147	\$ 742,333	\$ 2,394,518	\$ 1,987,470	\$ 124,060	\$ 6,803,528
LIABILITIES AND FUND BALANCES						
Liabilities						
Accounts payable	\$ 926,876	\$ -	\$ -	\$ -	\$ 5,000	\$ 931,876
Accrued payroll and deductions	39,455	-	-	-	-	39,455
Due to other funds	-	10,882	1,161,427	20,851	-	1,193,160
Revenue/grant anticipation notes payable	-	-	15,000	-	-	15,000
TOTAL LIABILITIES	\$ 966,331	\$ 10,882	\$ 1,176,427	\$ 20,851	\$ 5,000	\$ 2,179,491
Fund Balances						
Reserved for:						
Debt service	-	-	-	-	118,720	118,720
Unreserved, reported in:						
General Fund	588,816	-	-	-	-	588,816
Special Revenue Funds	-	731,451	-	-	-	731,451
Capital Project Funds	-	-	1,218,091	1,966,619	340	3,185,050
TOTAL FUND BALANCES	\$ 588,816	\$ 731,451	\$ 1,218,091	\$ 1,966,619	\$ 119,060	\$ 4,624,037
TOTAL LIABILITIES AND FUND BALANCES	\$ 1,555,147	\$ 742,333	\$ 2,394,518	\$ 1,987,470	\$ 124,060	\$ 6,803,528

Amounts reported for governmental activities in the statement of net assets are different because:
Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds
Long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds.

Net Assets of Governmental Activities
\$ 45,186,905

The accompanying notes are an integral part of this statement.

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA

GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2002

	GENERAL	EMERGENCY FUND	WESTBANK HURRICANE PROTECTION LEVEE	LAFITTE LEVEE	OTHER GOVERNMENTAL FUNDS	TOTAL GOVERNMENTAL FUNDS
REVENUES						
Taxes						
Property taxes	2,815,893	-	-	-	-	2,815,893
Intergovernmental						
Federal	-	13,969	-	-	-	13,969
State	397,054	-	4,731,416	-	-	5,128,470
Parish/Local	-	-	3,239	-	-	3,239
Service charges, fees, and commissions	54,198	-	-	-	-	54,198
Fines and forfeitures	-	-	-	-	-	-
Interest	51,286	21,169	281,155	46,443	8,869	411,022
Miscellaneous	16,798	-	-	-	-	16,798
TOTAL REVENUES	3,335,329	37,138	5,015,810	46,443	8,869	8,443,589
EXPENDITURES						
Current						
Public Works						
Executive	140,447	-	-	-	-	140,447
Administrative	388,545	-	-	-	-	388,545
Maintenance	1,111,085	21,224	-	-	25	1,132,334
Non-departmental	291,585	-	-	-	1,355	292,940
Debt Service						
Principal	-	-	-	-	160,000	160,000
Interest	-	-	-	-	40,565	40,565
Capital outlay						
Property, plant and equipment	299,006	-	-	-	-	299,006
Levee construction projects	-	-	6,445,264	115,223	-	6,560,487
TOTAL EXPENDITURES	2,230,668	21,224	6,445,264	115,223	201,945	9,014,324
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,104,661	15,914	(1,429,454)	(68,780)	(193,076)	(570,735)
OTHER FINANCING SOURCES (USES)						
Transfers in	-	-	-	500,000	200,600	700,600
Transfers out	(700,600)	-	-	-	-	(700,600)
Sale of capital assets	-	-	-	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	(700,600)	-	-	500,000	200,600	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	404,061	15,914	(1,429,454)	431,220	7,524	(570,735)
FUND BALANCE						
Beginning of year (as restated)	184,755	715,537	2,647,545	1,535,399	111,536	5,194,772
End of year	588,816	731,451	1,218,091	1,966,619	119,060	4,624,037

The accompanying notes are an integral part of this statement.

**WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA**

**RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES,
AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO
THE STATEMENT OF ACTIVITIES
FOR THE YEAR ENDED JUNE 30, 2002**

Amounts reported for governmental activities in the Statement of Activities (page 13) are different because:

Net change in fund balances - total governmental funds (page 15)	\$	(570,735)
--	----	-----------

Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense. This is the amount by which capital outlays exceeded depreciation in the current period.		6,302,946
---	--	-----------

The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets.		(27,773)
--	--	----------

The issuance of long-term debt (e.g., bonds, leases) provides current financial resources to governmental funds, while the payment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net assets. Also, governmental funds report the effect of issuance costs, premiums, discounts, and similar items when debt is first issued, whereas, these amounts are deferred and amortized in the Statement of Activities. This amount is the net effect of these differences in the treatment of long-term debt and related items.		156,424
--	--	---------

Change in net assets of governmental activities (page 13)	\$	<u>5,860,862</u>
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The accompanying notes are an integral part of this statement.

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

	BUDGETED AMOUNTS		BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Taxes				
Property taxes	\$ 2,600,000	\$ 2,600,000	\$ 2,815,893	\$ 215,893
Intergovernmental				
State	350,000	350,000	397,054	47,054
Service charges, fees, and commissions	40,150	40,150	54,198	14,048
Fines and forfeitures	-	-	-	-
Interest	37,000	37,000	51,386	14,386
Miscellaneous	10,000	10,000	16,798	6,798
TOTAL REVENUES	<u>3,037,150</u>	<u>3,037,150</u>	<u>3,335,329</u>	<u>298,179</u>
EXPENDITURES				
Current				
Public Works				
Executive	138,250	138,250	140,447	(2,197)
Administrative	392,700	392,700	388,545	4,155
Maintenance	1,228,400	1,228,400	1,111,085	117,315
Non-departmental	277,200	277,200	291,585	(14,385)
Capital outlay				
Property, plant and equipment	360,000	360,000	299,006	60,994
Levee construction projects	-	-	-	-
TOTAL EXPENDITURES	<u>2,396,550</u>	<u>2,396,550</u>	<u>2,230,668</u>	<u>165,882</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	<u>640,600</u>	<u>640,600</u>	<u>1,104,661</u>	<u>464,061</u>
OTHER FINANCING SOURCES (USES)				
Transfers in	-	-	-	-
Transfers out	(700,600)	(700,600)	(700,600)	-
Sale of capital assets	60,000	60,000	-	(60,000)
TOTAL OTHER FINANCING SOURCES (USES)	<u>(640,600)</u>	<u>(640,600)</u>	<u>(700,600)</u>	<u>(60,000)</u>
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	-	-	404,061	404,061
FUND BALANCE				
Beginning of year (as restated)	184,755	184,755	184,755	-
End of year	<u>\$ 184,755</u>	<u>\$ 184,755</u>	<u>\$ 588,816</u>	<u>\$ 404,061</u>

The accompanying notes are an integral part of this statement.

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WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS
June 30, 2002

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The financial statements of the West Jefferson Levee District (the District) have been prepared in conformity with generally accepted accounting principles (GAAP) as applied to governmental units. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the District's accounting policies are described below.

1. Reporting Entity

GASB Codification Section 2100 establishes criteria for determining the governmental reporting entity and its component units. Component units are defined as legally separate organizations for which the elected officials of a primary government are financially accountable. The criteria used in determining whether financial accountability exists include the appointment of a voting majority of an organization's governing board, the ability of the primary government to impose its will on that organization or whether there is a potential for the organization to provide specific financial benefits or burdens to the primary government. Fiscal dependency may also play a part in determining financial accountability. In addition, a component unit can be another organization for which the nature and significance of its relationship with a primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

The District is a political subdivision of the State of Louisiana, organized to provide flood protection for those areas contained within the Parish of Jefferson to the west of the Mississippi River. The District was incorporated on August 1, 1980, under the provisions of Act 820 of the 1980 Legislative session, as amended (Civil Service code). The control and management of the affairs of the District are vested in a Board of Commissioners composed of nine qualified electors residing within the District. The members of the Board are appointed by the Governor of the State of Louisiana from a list of nominations submitted by the members of the Legislature serving that portion of Jefferson Parish located within the District.

Based on the criteria described above, it has been determined that the West Jefferson Levee District is a component unit of the State of Louisiana for financial reporting purposes. The accompanying statements present only transactions of the District.

Annually, the State of Louisiana (the primary government) issues general purpose financial statements which include the activity contained in the accompanying financial statements. The State's general purpose financial statements are issued by the Louisiana Division of Administration - Office of Statewide Reporting and Accounting Policy and are audited by the Louisiana Legislative Auditor.

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

2. Government-wide and Fund Financial Statements

Government-wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of activities) report information on all of the nonfiduciary activities of the District. For the most part, the effect of interfund activity has been removed from these statements.

Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from *business-type activities*, which rely to a significant extent on fees and charges for support. Because of the nature of the District's operations, the District reports only governmental activities.

The statement of activities demonstrates the degree to which the direct expense of a given function or segment are offset by program revenues. *Direct expenses* are those that are clearly identifiable with a specific function or segment. *Program revenues* include 1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and 2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as *general revenues*.

Fund Financial Statements

Separate financial statements are provided for the governmental funds of the District. Funds are used by the District to report on its financial position and the results of its operations. Fund accounting is designed to demonstrate legal compliance and to aid financial management by segregating transactions related to certain government functions or activities.

A fund is a separate accounting entity with a self-balancing set of accounts. The funds of the District are classified into the "governmental" category. The category, in turn, is divided into separate "fund types".

Governmental funds are used to account for all or most of a government's general activities, including the collection and disbursement of earmarked monies (special revenue funds), the acquisition or construction of general fixed assets (capital project funds), and the servicing of general long-term debt (debt service funds). The General Fund is used to account for all financial activities of the general government not accounted for in some other fund. Major individual governmental funds are reported as separate columns in the fund financial statements.

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

The District reports the following major governmental funds:

The *General Fund* is the general operating fund of the District. It is used to account for all financial resources except those required to be accounted for in another fund.

The *Emergency Special Revenue Fund* accounts for monies that are restricted to expenditures related to emergencies.

The *Westbank Hurricane Protection Levee Capital Project Fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities and structures related to the westbank hurricane levee.

The *Lafitte Levee Capital Project Fund* is used to account for financial resources to be used for the acquisition or construction of major capital facilities and structures in the area of the Town of Jean Lafitte.

3. Measurement Focus, Basis of Accounting, and Financial Statement Presentation

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Property taxes are recognized as revenues in the year for which they are levied. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Governmental fund financial statements are reported using a *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized when susceptible to accrual (i.e., when they become both measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period. The District considers property taxes as available if they are collected within 60 days after year end. A one-year availability period is used for revenue recognition for all other governmental fund revenues. Property taxes, intergovernmental revenues, and interest associated with the current fiscal year are all considered to be susceptible to accrual and so have been recognized as revenues of the current fiscal period. Expenditures are recorded when the related fund liability is incurred. Principal and interest on general long-term debt, as well as expenditures related to compensated absences and claims and judgments, only when payment is due.

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

4. Assets, Liabilities, and Net Assets or Equity

A. *Cash and Investments*

For reporting purposes, cash and cash equivalents includes amounts in demand deposits, time deposits, and certificates of deposit. Louisiana Revised Statutes allow the District to invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the State of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

State statutes authorize the District to invest in obligations of the U.S. Treasury, commercial paper, corporate bonds and repurchase agreements. In accordance with GASB Statement No. 31, investments, if any, are generally stated at fair value. If the investment is in money market securities and has a maturity date of less than 90 days from the balance sheet date, the investment is stated at cost or amortized cost.

B. *Receivables and Payables*

Activity between funds that are representative of lending/borrowing arrangements outstanding at year end are referred to as either "due to/from other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans). All other outstanding balances between funds are reported as "due to/from other funds". As a general rule, all interfund balances are eliminated in the government-wide financial statements.

C. *Inventories*

The cost of materials and supplies acquired by the District are recorded as expenditures at the time of purchase. It is management's opinion that the inventory of such materials and supplies at June 30, 2002 would not be material to the financial statements.

D. *Prepaid Insurance*

Payments made to vendors for services that will benefit periods beyond June 30, 2002, are recorded as expenditures when paid. It is management's opinion that the prepaid amount at June 30, 2002, if any, would not be material to the financial statements.

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

E. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (e.g., levees, floodwalls, sector gates and similar items), are reported in the applicable governmental activities column in the government-wide financial statements. Capital assets are defined by the District as assets with an initial, individual cost of more than \$500 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend asset lives are not capitalized. Major outlays for capital assets and improvements are capitalized as projects are constructed and are included in construction in progress. The levees are divided into reaches and are capitalized as such. Any major "lifts" or improvements to an existing levee/reach is capitalized as an addition to that levee/reach.

Property, plant, equipment, and infrastructure is depreciated using the straight-line method (with a mid-year convention) over the following estimated useful lives:

Asset Category	Useful Life in Years
Buildings	40
Furniture and fixtures	5
Autos and trucks	5
Mowers	5
Tractors	7 - 10
Heavy equipment	5
Radios	3
Infrastructure (levees, floodwalls, floodgates, etc.)	50

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE A - SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

F. Compensated Absences

It is the District's policy to permit employees to accumulate earned but unused vacation and sick pay benefits. There is no liability for unpaid accumulated sick leave since the District does not have a policy to pay any amounts when employees separate from service to the District. All vacation pay is accrued when incurred in the government-wide financial statements. A liability for these amounts is reported in the governmental funds only if they have matured, for example, as a result of employee resignations and retirements. In accordance with GASB Statement No. 16, an additional liability is recorded for salary related payments associated with the future payment of compensated absences.

G. Long-Term Obligations

In the government-wide financial statements, long-term debt and other long-term obligations are recognized as liabilities in the applicable governmental activities statement of net assets.

In the fund financial statements, governmental fund types recognize bond premiums and discounts, as well as bond issuance costs, during the current period. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures. Payments of principal and interest are recorded as expenditures only when due.

H. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balances for amounts that are not available for appropriation or are legally restricted by outside parties for a specific future use. Designated fund balances represent tentative plans for future use of financial resources that are subject to change..

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS

1. Explanation of Certain Differences Between the Governmental Fund Balance Sheet and the Government-wide Statement of Net Assets

The governmental fund balance sheet includes a reconciliation between *fund balance - total governmental funds* and *net assets - governmental activities* as reported in the government-wide statement of net assets. One element of that reconciliation explains that "long-term liabilities, including bonds payable, are not due and payable in the current period and therefore are not reported in the funds." The details of this \$(830,502) difference are as follows:

Revenue Bonds Payable	\$ (720,000)
Compensated absences	(110,502)
	<hr/>
Net adjustment to reduce <i>fund-balance - total governmental funds</i> to arrive at <i>net assets - governmental activities</i>	<u><u>\$ (830,502)</u></u>

2. Explanation of Certain Differences Between the Governmental Fund Statement of Revenues, Expenditures, and Changes in Fund Balances and the Government-wide Statement of Activities

The governmental fund statement of revenues, expenditures, and changes in fund balances includes a reconciliation between *net changes in fund balances - total governmental funds* and *changes in net assets of governmental activities* as reported in the government-wide statement of activities. One element of that reconciliation explains that "Governmental funds report capital outlays as expenditures. However, in the statement of activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense." The details of this \$6,302,946 difference are as follows:

Capital outlay	\$ 6,859,493
Depreciation expense	(556,547)
	<hr/>
Net adjustment to increase <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets - governmental activities</i>	<u><u>\$ 6,302,946</u></u>

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE B - RECONCILIATION OF GOVERNMENT-WIDE AND FUND FINANCIAL STATEMENTS (CONTINUED)

Another element of that reconciliation states that "The net effect of various miscellaneous transactions involving capital assets (i.e., sales, trade-ins, and donations) is to increase net assets." The details of this \$(27,773) difference are as follows:

In the statement of activities, only the <i>gain (loss)</i> on the sale of capital assets is reported. However, in the governmental funds, the proceeds from the sale increases financial resources. Thus, the change in net assets differs from the change in fund balance by the cost of the capital assets sold	\$ (27,773)
Net adjustment to increase (decrease) <i>net changes in fund balances - total governmental funds</i> to arrive at <i>changes in net assets - governmental activities</i>	<u>\$ (27,773)</u>

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY

1. Budget

Formal budgetary accounting is employed as a management control device during the year for the General Fund. Budgetary data for the Special Revenue Fund is not presented since these funds are restricted for emergency purposes only, and are considered unpredictable. Budgetary data for the Capital Project funds are not presented since these funds are budgeted over the life of the respective project, not on an annual basis. Formal budgetary accounting is not employed for the Debt Service Fund because effective control is alternatively achieved through the indenture provisions of the bonds/certificates.

Expenditures may not exceed appropriations at the object level within the fund. All annual appropriations which are not expended lapse at year end.

The General Fund's budget is adopted on a basis consistent with generally accepted accounting principles (GAAP). Encumbrances are not recorded for budgetary purposes

The Board of Commissioners of the District submits an annual budget to the Department of Transportation and Development - Office of Public Works (DOTD) and the Legislative Auditor for the succeeding fiscal year. The operating budget includes proposed expenditures and the means of financing them.

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE C - STEWARDSHIP, COMPLIANCE AND ACCOUNTABILITY (CONTINUED)

The DOTD reviews the budget and makes recommendations pertaining thereto to the Board of Commissioners of the District and the Legislative Auditor. Not less than ninety days before the end of the fiscal year, the Board of Commissioners adopts the annual budget after considering the recommendations of the DOTD. Amendments to the budget are made by the Board from time to time as is necessary.

The original budget was adopted on March 16, 2001. No subsequent amendments were made during the year, thus the budgeted amounts are included as both the original and final budgets in the accompanying statements.

2. Expenditures in Excess of Appropriations

For the year ended June 30, 2002, expenditures exceeded budget at the object level as follows:

Fund	Expenditures	Budget	Excess
General Fund			
Executive	140,447	138,250	(2,197)
Nondepartmental	291,585	277,200	(14,385)

Executive expenditures were over budget due to unexpected travel, primarily in the commissioners department, and professional services. These overages were offset by savings in the commissioners' per diems and life insurance, resulting in a net overage of \$(2,197). Nondepartmental expenditures were over budget mainly due to an increase in the amount withheld by the Tax Collector for the state retirement plans. All of the over budget items were paid for out of available fund balance.

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS

1. Deposits and Investments

The carrying amount of the District's deposits at June 30, 2002 was \$5,109,726 and the bank balance was \$6,026,037. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. The bank balance is categorized as follows:

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

Risk Category	Cash	Certificates of Deposit	Total Amount
a. Insured (FDIC) or collateralized with securities held by the entity or its agent in the entity's name	\$ 6,026,037	\$ 0	\$ 6,026,037
b. Collateralized with securities held by the pledging financial institution's trust department or agent in the entity's name	0	0	0
c. Uncollateralized (including securities held for the entity by the pledging financial institution or its agent, but not in the entity's name)	0	0	0
Total	<u>\$ 6,026,037</u>	<u>\$ 0</u>	<u>\$ 6,026,037</u>

Although the District shows no investments at June 30, 2002, it did invest in various U.S. Government securities during the year. No losses were incurred on the investments as all were held to maturity.

In addition, the District has two escrow accounts related to the Westbank Hurricane Protection Levee Project. In the first, the District has \$8,063,330 on deposit with the U.S. Army Corps of Engineers (COE). The second account has \$2,687,112 which was contributed by the Parish of Jefferson for construction of the Mount Kennedy Pump Station. These amounts are not reported on the financial statements as they are being held in jointly-owned escrow accounts pursuant to the cooperative agreements signed with the COE. As the District makes deposits into the escrow accounts, an expenditure is recognized. COE is allowed to draw on the escrow funds as needed in connection with the Westbank Hurricane Protection Levee project (See Note F).

2. Receivables

Receivables at year end for the government's individual major funds and nonmajor funds, in the aggregate, include \$500,642 due from the State of Louisiana in connection with the 2001 State Capital Outlay appropriation. This amount is shown as a receivable in the Westbank Hurricane Protection Levee Capital Project Fund (see Note F.2).

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

3. Capital Assets

The following is a summary of changes in the general fixed assets account group during the fiscal year:

	Balance July 1, 2001	Additions	Deletions	Transfers	Balance June 30, 2002
Governmental activities:					
Capital assets, not being depreciated					
Land	\$ 6,211,545	\$ 0	\$ 0	\$ 0	\$ 6,211,545
Construction in progress	11,885,362	5,976,848	0	0	17,862,210
Total capital assets, not being depreciated	\$ 18,096,907	\$ 5,976,848	\$ 0	\$ 0	\$ 24,073,755
Capital assets, being depreciated					
Buildings	\$ 1,862,686	\$ 0	\$ 0	\$ 0	\$ 1,862,686
Furniture and fixtures	90,048	1,924	(6,089)	0	85,883
Machinery, vehicles, and equipment	1,317,481	297,082	(143,760)	0	1,470,803
Infrastructure	17,692,206	583,639	0	0	18,275,845
Total capital assets, being depreciated	20,962,421	882,645	(149,849)	0	21,695,217
Less accumulated depreciation for:					
Buildings	1,035,325	74,507	0	0	1,109,832
Furniture and fixtures	61,900	9,296	(6,016)	0	65,180
Machinery, vehicles, and equipment	793,663	133,091	(116,060)	0	810,694
Infrastructure	2,050,243	339,653	0	0	2,389,896
Total accumulated depreciation	3,941,131	556,547	(122,076)	0	4,375,602
Total capital assets being depreciated, net	\$ 17,021,290	\$ 326,098	\$ (27,773)	\$ 0	\$ 17,319,615
Total governmental activities capital assets, net	\$ 35,118,197	\$ 6,302,946	\$ (27,773)	\$ 0	\$ 41,393,370

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

Depreciation expense was charged to the functions/segments of the District as follows:

Governmental activities:

Public works

Executive	\$	0
Administrative		33,100
Maintenance		183,794
Unallocated depreciation (depreciation on the levee systems are not allocable to the District's segments)		339,653
Total depreciation expense - governmental activities	<u>\$</u>	<u>556,547</u>

At year end, the District had \$17,865,210 in construction in progress. \$15,018,875 of this amount relates to the Westbank Hurricane Protection Levee Project - East of Harvey Canal and West of Harvey Canal segments (See Note F for additional details) and \$2,434,508 relates to the Lafitte Levee system.

4. Revenue/Grant Anticipation Notes Payable

As described in Note F.2, during FY 99/00, the District obtained another Priority 5 line of credit from the State through its State Capital Outlay Program in the amount of \$5,000,000. In order to expedite the construction of the levee these funds are dedicated to, a revenue anticipation note agreement was entered into with a local bank on April 27, 2001. The Capital Outlay money is pledged and dedicated to paying off these notes. The notes, together with accrued interest at the rate of 4.52% per annum, were due and payable on the earlier of (1) the actual receipt of funds from the State under the Capital Outlay Program or (2) April 27, 2002. In total, the District drew down \$1,026,989 under this agreement. The amount was paid back on January 24, 2002, along with interest of \$19,799.

As described in Note F.2, during FY 01/02, the District obtained another Priority 5 line of credit from the State through its State Capital Outlay Program; this one in the amount of \$2,450,000. In order to expedite the construction of the levee these funds are dedicated to, a grant anticipation note agreement was entered into with a local bank on March 6, 2002. The Capital Outlay money is pledged and dedicated to paying off these notes. The notes, together with accrued interest at the rate of 4.52% per annum, are due and payable on the earlier of (1) the actual receipt of funds from the State under the Capital Outlay Program or (2) December 15, 2002. Through June 30, 2002, \$15,000 has been drawn down under this agreement and is shown as a liability in the Westbank Hurricane Protection Levee Capital Project fund.

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

5. Long-term Debt

Excess Revenue Bonds

On January 31, 1997, the District issued \$1,420,000 in 1996 Series Excess Revenue Bonds with an average interest rate of 4.56 percent to advance refund \$1,420,000 of outstanding 1986 Series Excess Revenue bonds with an average interest rate of 8.11 percent. These bonds are secured by, and are payable from, a pledge of the annual revenues of the District, sufficient to pay principal and interest, through April 1, 2006. At June 30, 2002, \$118,720 was available in the Debt Service Sinking Fund to service the debt. Bonds outstanding at June 30, 2002 totaled \$720,000, with interest rates ranging from 4.4 to 4.8 percent. Annual debt service requirements to maturity, including interest of \$86,825, are as follows:

Year Ending June 30,	Principal	Interest	Total
2003	\$ 170,000	\$ 33,535	\$ 203,535
2004	170,000	25,875	195,875
2005	185,000	18,055	203,055
2006	195,000	9,360	204,360
Total	<u>\$ 720,000</u>	<u>\$ 86,825</u>	<u>\$ 806,825</u>

Compensated Absences

District employees, both classified and unclassified, earn annual and sick leave at various rates depending on the number of years in service. The amount of annual and sick leave that may be accumulated by each employee is unlimited.

Upon termination, an employee is compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, the number of hours of unused sick leave is computed and considered in computing the years of service for retirement benefit purposes. Compensatory time is accrued up to a balance of 240 hours at a rate of time and one-half. An employee who exceeds 240 hours receives either monetary consideration or compensatory time for the amount of hours earned in excess of the 240 hour limit. Upon termination, an employee is paid for unused compensatory time.

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

Changes in Long-Term Debt

The following is a summary of changes in general long-term obligations of the District for the fiscal year ended June 30, 2002:

Type of Debt	Balance July 1, 2001	Additions (Reductions)	Balance June 30, 2002	Due Within One Year
1996 Excess Revenue Bonds	\$ 880,000	\$ (160,000)	\$ 720,000	\$ 170,000
Compensated Absences	106,926	3,576	110,502	110,502
Total	<u>\$ 986,926</u>	<u>\$ (156,424)</u>	<u>\$ 830,502</u>	<u>\$ 280,502</u>

The government-wide statement of net assets includes the \$280,502 as payable within one year. The remaining \$550,000 is displayed as "noncurrent liabilities, due in more than one year".

6. Interfund Transactions

Interfund Receivables/Payables

Fund	Due To/From	Due From	Due To
General Fund	Emergency Fund Special Revenue	\$ 10,882	\$ 0
	Westbank Hurricane Protection Levee Capital Project Fund	1,161,427	0
		<u>\$ 1,172,309</u>	<u>\$ 0</u>
Emergency Special Revenue Fund	General Fund	<u>\$ 0</u>	<u>\$ 10,882</u>
Capital Projects			
Westbank Hurricane Protection	General Fund	\$ 0	\$ 1,161,427
	Lafitte Levee Capital Project	20,851	0
		<u>20,851</u>	<u>1,161,427</u>
Lafitte Levee	West of Harvey Capital Project	0	20,851
Total Capital Projects		<u>\$ 20,851</u>	<u>\$ 1,182,278</u>
TOTAL ALL FUNDS		<u>\$ 1,193,160</u>	<u>\$ 1,193,160</u>

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

Interfund Transfers

Fund Transferred From	Fund Transferred To	Amount
General Fund	Bond Sinking Debt Service Fund	\$ 200,600
	Lafitte Levee Capital Project Fund	500,000
Total		<u>\$ 700,600</u>

7. Reservations and Designations of Fund Balances

The nature and purpose of the reserves of fund balances (or restricted net assets) shown on the government-wide and fund financial statements are as follows:

Reserved for Debt Service

This \$118,720 reserve of the Debt Service Fund fund balance represents the amounts reserved for payment of principal and interest maturing in future years.

While designations are not shown on the face of the fund financial statements, several designation of fund balances do exist at June 30, 2002. They are as follows:

Designated for Emergencies

The District adopted a policy whereby any surplus fund balance remaining at year end in the General Fund is to be restricted for emergency purposes. These funds are not available for normal operating activities and can only be expended upon the official declaration of an emergency by the Board. For the 00/01 and 01/02 fiscal years, this transfer has been overridden by the transfer to the Lafitte Levee Fund. At year end, \$731,451 is designated for this purpose out of the Special Revenue Funds fund balance.

Designated for Future Capital Outlay

This \$60,994 designation of the General Fund fund balance represents the amount of surplus funds generated by the capital outlay accounts coming in under budget. Per the Board's policy, these funds are designated for future capital outlays.

Designated for Matching Statewide Flood Control

This \$478,116 designation of the Westbank Hurricane Protection Levee Capital Project Fund fund balance represents the amount of funds available to match state appropriations under the Statewide Flood Control - Westbank Hurricane Protection Levee Project. See Note F.2.

Designated for Matching Federal Funds on Lafitte Levee

This \$1,966,619 designation of the Lafitte Levee Capital Project Fund fund balance represents the amount of funds available to match future federal grants for construction of the Lafitte Levee.

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE D - DETAILED NOTES ON ALL ACTIVITIES AND FUNDS (CONTINUED)

8. Ad Valorem Taxes

Article 6, § 39 of the 1974 Louisiana Constitution provides that for the purposes of constructing and maintaining levees, levee drainage, flood protection, hurricane flood protection, and for all other purposes incidental thereto, the District may levy annually, a tax not to exceed five mills. If the District needs to raise additional funds in excess of the amount collected constitutionally, the taxes in excess of five mills must be approved by a majority vote of the electors.

The District levies an ad valorem (property) tax on real property within the District to finance operations. The levy is generally made as of November 15 of each year. The tax is then due, and becomes an enforceable lien on the property, on the first day of the month following the filing of the tax roll by the Parish assessor with the Louisiana Tax Commission (usually December 1). The tax is delinquent 30 days after its due date.

Ad valorem taxes are levied based on property values determined by the Jefferson Parish Assessor's Office (a separate entity). All land and residential improvements are assessed at 10 percent of its fair market value, and other property at 15 percent of its fair market value. Taxes are billed and collected by the Jefferson Parish Sheriff's Office (a separate entity) which receives a certain millage for its services. The taxes remitted by the Sheriff to the District are net of assessor's commission and pension fund contributions.

The number of mills levied for operations on the 2001 and 2000 tax rolls were 5.03 and 5.03, respectively.

NOTE E - CONTINGENCIES

1. Risk Management

The District is exposed to various risks of loss resulting from personal injury; theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. To protect against these risks of loss, the District purchases various types of insurance from commercial carriers.

Under these policies, general liability coverage is provided for up to a maximum of \$1,000,000 per occurrence (\$2,000,000 in the aggregate); automobile coverage is provided for up to \$500,000 per occurrence; and worker's compensation is provided at the statutory limits of \$1,000,000/\$1,000,000/\$1,000,000. In each policy, the District is responsible for the applicable deductible.

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE E - CONTINGENCIES (CONTINUED)

2. Contingent Liabilities

Federal and State Financial Assistance

Amounts received or receivable from grantor agencies are subject to audit and adjustments by grantor agencies, principally the federal and state governments. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable fund. The amount, if any, of expenditures which may be disallowed by the grantor cannot be determined at this time, although the District expects such amounts, if any, to be immaterial.

Litigation

The District is a defendant in a number of claims and lawsuits. The District's attorney has reviewed these claims and lawsuits in order to evaluate the likelihood of an unfavorable outcome to the District and to arrive at an estimate, if any, of the amount or range of potential loss to the District. As a result of such review, the various claims and lawsuits have been categorized into "probable", "reasonably possible", and "remote" categories, as defined in GASB Codification Section C50 for Claims and Judgments. In the opinion of management, the District has adequate legal defenses or insurance coverage with respect to each of these claims and lawsuits and does not believe that they will materially affect the District's financial statements.

NOTE F - JOINT VENTURE - HURRICANE PROTECTION LEVEE

1. Description of Project

Pursuant to a local cooperative agreement dated December 18, 1980, the District and the U.S. Army Corps of Engineers (COE) began constructing a hurricane protection levee system within the District's boundaries under a "cost-sharing" agreement. Under the original agreement, the project was limited to the West of Harvey Canal and the District was to provide 35 percent of the cost as a local match. The District's share was to be made up of expropriations, easements, land acquisitions, relocation assistance and in-kind construction work. Upon completion of the levee, the District would be responsible for maintenance and repairs of the levee system (i.e., fertilizing and cutting the grass, monitoring crossings, minor repairs, etc.).

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE F - JOINT VENTURE - HURRICANE PROTECTION LEVEE (CONTINUED)

Pursuant to the authority vested in LRS 38:81, on May 5, 1993, the Governor of the State of Louisiana designated the DOTD, a state agency, as the "non-federal" sponsor of the project and relegated the District to the role of "executive agent" for the DOTD on the project. Act 1012 of the 1993 Legislative session and a new cooperative agreement, dated November 22, 1995, between the District and DOTD allowed modification of the agreement with the COE in order to set forth the responsibilities of each party in relation to the project. Under the current arrangement, DOTD is now responsible for providing the "non-federal" local share of the project cost and to provide the District with certain engineering services, as needed. The District is to act as "executive agent" for DOTD for purposes of administering the project. This arrangement was finalized in Amendment No. 1 to the Local Cooperative Agreement on April 26, 2000.

Under the Water Resources and Development Act of 1996, two additional phases were added to the project - Lake Cataouatche and the East of Harvey Canal levee. The total project cost is currently estimated at \$312.0 million. Of this, \$203.0 is federal and \$109.0 is state/local (i.e., "non-federal"). The non-federal local share of the project is being funded in various ways. A significant portion is coming from "expenses of non-federal interest" allowed by the COE for interim and compatible expenditures incurred by the District.

2. Funding of the Project

Each year, the COE notifies the State and the District of the amount of cash assistance (or equivalent work) required of the "non-federal" sponsor each fiscal year. The matching funds are derived from local revenues of the District and State Capital Outlay or Statewide Flood Control monies. Any cash match is deposited into escrow accounts set up with the COE. Non-cash matches and the District's direct expenditures are submitted as "credits" to the COE to be applied against the non-federal share.

During the fiscal year ended June 30, 2002, the COE was scheduled to provide \$10,955,000 towards the project and the District expended \$6,445,264 in direct costs, bringing the Federal share to date to \$74,710,000 and the local share (excluding creditable indirect costs) to \$40,352,463. As of June 30, 2002, the cost to complete the project is estimated to be approximately \$196.9 million (\$128.3 million federal and \$68.6 million non-federal).

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE F - JOINT VENTURE - HURRICANE PROTECTION LEVEE (CONTINUED)

In addition, the District has obtained commitments from the State of \$11,391,030 through the Statewide Flood Control Program. This amount represents 70 percent of the estimated construction cost of the Westwego to Harvey Canal phase to be borne by the non-federal sponsor. The District is required to put up the remaining 30 percent as a match. To date, the entire \$11,391,030 has been appropriated by the State. Of this amount, \$9,927,724 has been expended, leaving an available balance of \$1,463,306. This balance will result in a required future match of \$478,116. The District has designated a portion of the West of Harvey Canal Capital Project Fund's fund balance for purposes of matching the State funds.

Funding has also been received through the State Capital Outlay Program (State Project No. 750-99-0102). The following amounts have been received or accrued under these programs:

Year Awarded	Amount Awarded	Amount Expended in Prior Years	Amount Expended in Current Year	Balance
95/96	\$ 200,000	\$ (200,000)	\$ 0	\$ 0
96/97	500,000	(500,000)	0	0
98/99	1,000,000	(1,000,000)	0	0
98/99	600,000	(600,000)	0	0
98/99	5,400,000	(5,399,931)	0	69
99/00	5,000,000	(194,522)	(3,955,687)	849,791
01/02	2,450,000	0	0	2,450,000
	<u>\$ 15,150,000</u>	<u>\$ (7,894,453)</u>	<u>\$ (3,955,687)</u>	<u>\$ 3,299,860</u>

Of this amount, \$500,642 has been accrued as receivable from the State at June 30, 2002.

3. Status of the Project

As of June 30, 2002, all of the major reaches of the Westwego to Harvey Canal phase have been completed and are capitalized into fixed assets as infrastructure. Some reaches are entering a "lift" phase, which will be accounted for as an addition to that particular reach upon completion. The East of Harvey and Lake Cataouatche sections are in the design phases and are recorded as construction in progress. The entire project is expected to be completed by 2014.

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE G - OTHER INFORMATION (CONTINUED)

1. Pension Plan

Plan Description and Provisions

The District contributes to the Louisiana State Employees' Retirement System (the "System"), a cost-sharing multiple-employer defined benefit public employee retirement system (PERS). The System is a statewide public retirement system for the benefit of State Agencies and their staffs, which is administered and controlled by a separate board of trustees. The System was established and provided for within Title 11 of Chapter 401 of the Louisiana Revised Statutes.

Contributions of participating agencies, together with shared local and state revenues, are pooled within the System to fund accrued benefits, with employer/employee contribution rates approved by the Legislature. The System provides retirement and disability benefits, annual cost of living adjustments, and death benefits to plan members and beneficiaries.

The System issues a publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to Louisiana State Employees' Retirement System, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809.

Funding Policy

In addition to ad valorem and insurance premium taxes that are remitted to the System (which constitute the major funding of the System), plan members are required by State statute to contribute 7.50 percent of gross salary and the District is required to contribute at an actuarially determined rate. The current rate is 13.00 percent of annual covered payroll. The contribution requirements of plan members and the District are established and may be amended by the System's Board of Trustees.

The contributions for the year ended June 30, 2002 were as follows:

		Amount	Percent of Covered Payroll
Employee	\$	55,573	7.50%
Employer	\$	96,636	13.00%

The District's contributions for the previous two fiscal years were \$92,375 and \$87,894, which equaled the required contributions for each year.

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE G - OTHER INFORMATION (CONTINUED)

2. Deferred Compensation

The District offers its employees a deferred compensation plan (the "plan") created in accordance with Internal Revenue Code (IRC) Section 457. The plan, available to all employees, permits them to defer a portion of their salary until future years. The District matches any contributions into the plan on a one-for-one basis up to \$35. During the year, the District expended \$22,371 as a match on deferred compensation.

The deferred compensation is not available to employees until termination, retirement, death, or an unforeseeable emergency. Investments are managed by the Plan's trustee (Great Western). The choice of the investment option(s) are made by the Plan participants.

In 1996, the U.S. Congress passed the Small Business Job Protection Act of 1996, which requires that employer governments place all amounts deferred under IRC Section 457 into a trust for the exclusive benefit of participants and their beneficiaries. Thus, the District does not have ownership of the plan assets and does not report them in the District's financial statements.

3. Post-employment Health Care Benefits

The District provides certain continuing health care and life insurance benefits for its retired employees. Substantially all of the District's employees become eligible for those benefits if they reach normal retirement age while working for the District. Those benefits for retirees and similar benefits for active employees are provided through an insurance agency whose monthly premiums are paid jointly by the employee and the District. The District recognizes the cost of providing these benefits (District's portion of premiums) as an expenditure when paid during the year, which was \$164,610 for the year ended June 30, 2002. The cost of providing those benefits for 9 retirees is not separable from the cost of providing benefits for the 29 active employees.

NOTE H - PRIOR-PERIOD ADJUSTMENT

The fund balances/net assets have been restated to correct an error in the prior period. The transfer from the General Fund to the Lafitte Levee Capital Project fund should have been accrued as of June 30, 2001. The effect of this restatement on fund balances/net assets is as follows:

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA
NOTES TO FINANCIAL STATEMENTS (CONTINUED)
June 30, 2002

NOTE H - PRIOR PERIOD ADJUSTMENT (CONTINUED)

	General Fund	Lafitte Levee Capital Project fund	Total
Fund Balance, as previously reported	\$ 606,831	\$ 1,113,323	\$ 1,720,154
Prior-period adjustment to correctly accrue the transfer to the Lafitte Levee Capital Project Fund	(422,076)	422,076	0
Fund Balances, as restated	<u>\$ 184,755</u>	<u>\$ 1,535,399</u>	<u>\$ 1,720,154</u>

The net effect on excess of revenues over expenditures and other sources (uses) was to decrease the General Fund's excess by \$422,076 and to increase the Lafitte Levee Capital Project Fund by \$422,076.

NOTE I - CHANGES IN ACCOUNTING PRINCIPLES

For the fiscal year ended June 30, 2002, the District has implemented GASB No. 33, "Accounting and Financial Reporting for Non-Exchange Transactions", GASB No. 34, "Basic Financial Statements - and Management's Discussion and Analysis - for State and Local Governments", GASB Statement No. 36, "Recipient Reporting for Certain Shared Non-exchange Revenues", GASB Statement No. 37, "Basic Financial Statement - and Management's Discussion and Analysis - for State and Local Governments - Omnibus", and GASB Interpretation No. 6, "Recognition and Measurement of Certain Liabilities and Expenditures in Governmental Fund Financial Statements".

As restatement of prior financial statements is not practical, the cumulative effect of applying these principles is reported as a restatement of beginning net assets on the Government-wide Statement of Activities. The net effect of \$34,131,271 was added to prior year's reported fund balances to arrive at a net asset balance at June 30, 2001 (i.e., beginning of year) of \$39,326,043.

COMBINING AND INDIVIDUAL
FUND STATEMENTS AND SCHEDULES

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COMBINING STATEMENTS NONMAJOR GOVERNMENTAL FUNDS

Debt Service Funds

Debt service funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Sinking fund - This fund is used to account for servicing the debt related to the 1996 Excess Revenue Bonds.

Capital Project Funds

Capital Project Funds are used to account for financial resources to be used for the acquisition or construction of major capital facilities and structures.

Mississippi River Levee - Used to account for the activity and federal funds received for the relocation of pipelines and utilities located along Item M98.3 to 95-R of the Mississippi River Levees, Gretna Levee Enlargement, I-Wall Setback, and Concrete Slope Pavement, Phase IIB.

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA

NONMAJOR GOVERNMENTAL FUNDS
COMBINING BALANCE SHEET
JUNE 30, 2002

	DEBT SERVICE FUND SINKING FUND	CAPITAL PROJECT FUND MISSISSIPPI RIVER LEVEE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
ASSETS			
Cash and cash equivalents	\$ 118,720	\$ 5,340	\$ 124,060
Investments	-	-	-
Receivables (net of allowance for uncollectibles)	-	-	-
Due from other funds	-	-	-
TOTAL ASSETS	<u>\$ 118,720</u>	<u>\$ 5,340</u>	<u>\$ 124,060</u>
LIABILITIES AND FUND BALANCES			
Liabilities			
Accounts payable	\$ -	\$ 5,000	\$ 5,000
Due to other funds	-	-	-
TOTAL LIABILITIES	<u>-</u>	<u>5,000</u>	<u>5,000</u>
Fund Balances			
Reserved for:			
Debt service	118,720	-	118,720
Unreserved, reported in:			
Capital Project Funds	-	340	340
TOTAL FUND BALANCES	<u>118,720</u>	<u>340</u>	<u>119,060</u>
TOTAL LIABILITIES AND FUND BALANCES	<u>\$ 118,720</u>	<u>\$ 5,340</u>	<u>\$ 124,060</u>

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA

NONMAJOR GOVERNMENTAL FUNDS
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
FOR THE YEAR ENDED JUNE 30, 2002

	DEBT SERVICE FUND SINKING FUND	CAPITAL PROJECT FUND MISSISSIPPI RIVER LEVEE	TOTAL NONMAJOR GOVERNMENTAL FUNDS
REVENUES			
Taxes			
Property taxes	\$ -	\$ -	\$ -
Intergovernmental	-	-	-
Service charges, fees, and commissions	-	-	-
Fines and forfeitures	-	-	-
Interest	8,740	129	8,869
Miscellaneous	-	-	-
TOTAL REVENUES	8,740	129	8,869
EXPENDITURES			
Current			
Public Works			
Executive	-	-	-
Administrative	-	-	-
Maintenance	-	25	25
Non-departmental	1,355	-	1,355
Debt Service			
Principal	160,000	-	160,000
Interest	40,565	-	40,565
Capital outlay			
Property, plant and equipment	-	-	-
Levee construction projects	-	-	-
TOTAL EXPENDITURES	201,920	25	201,945
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	(193,180)	104	(193,076)
OTHER FINANCING SOURCES (USES)			
Transfers in	200,600	-	200,600
Transfers out	-	-	-
TOTAL OTHER FINANCING SOURCES (USES)	200,600	-	200,600
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES AND OTHER SOURCES (USES)	7,420	104	7,524
FUND BALANCE			
Beginning of year	111,300	236	111,536
End of year	<u>118,720</u>	<u>340</u>	<u>119,060</u>

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INDIVIDUAL FUND STATEMENTS AND SCHEDULES

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA

GENERAL FUND
SCHEDULE OF REVENUES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

	BUDGETED AMOUNTS		BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
REVENUES				
Taxes				
Property taxes	\$ 2,600,000	\$ 2,600,000	\$ 2,815,893	\$ 215,893
Intergovernmental				
State revenue sharing	350,000	350,000	397,054	47,054
Service charges, fees, and commissions				
Oil and gas royalties	40,000	40,000	53,941	13,941
Permit fees	150	150	257	107
	40,150	40,150	54,198	14,048
Fines and forfeitures	-	-	-	-
Interest				
Interest - cash accounts	17,000	17,000	44,787	27,787
Interest - investments	20,000	20,000	6,599	(13,401)
	37,000	37,000	51,386	14,386
Miscellaneous	10,000	10,000	16,798	6,798
TOTAL REVENUES	\$ 3,037,150	\$ 3,037,150	\$ 3,335,329	\$ 298,179

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL
FOR THE YEAR ENDED JUNE 30, 2002

	BUDGETED AMOUNTS		BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
EXPENDITURES				
CURRENT				
PUBLIC WORKS				
EXECUTIVE				
Commissioners				
Per diem	\$ 24,000	\$ 24,000	\$ 19,950	\$ 4,050
Life insurance	3,000	3,000	678	2,322
Travel	6,000	6,000	7,813	(1,813)
Convention/workshops	2,500	2,500	4,544	(2,044)
Salaries - president	12,000	12,000	12,000	-
Official journal	2,500	2,500	1,433	1,067
Dues and subscriptions	5,000	5,000	6,592	(1,592)
Miscellaneous	-	-	(269)	269
Professional services				
Legal	50,000	50,000	48,866	1,134
Accounting and auditing	8,250	8,250	10,350	(2,100)
Computer	25,000	25,000	26,975	(1,975)
Other	-	-	1,515	(1,515)
Total Executive	138,250	138,250	140,447	(2,197)
ADMINISTRATIVE				
Salaries	253,500	253,500	211,557	41,943
Health insurance	30,000	30,000	36,002	(6,002)
Retirement	21,000	21,000	24,196	(3,196)
Deferred compensation match	8,000	8,000	8,862	(862)
Payroll taxes	7,100	7,100	2,175	4,925
Worker's compensation	3,000	3,000	3,817	(817)
Unemployment insurance	-	-	(30)	30
Uniforms	-	-	2,959	(2,959)
Civil service fees	2,300	2,300	-	2,300
Employee physicals and testing	-	-	1,853	(1,853)
Travel	5,000	5,000	5,185	(185)
Convention/workshops	2,500	2,500	2,873	(373)
Printing	3,500	3,500	955	2,545
Postage	3,500	3,500	4,426	(926)
Office supplies	14,000	14,000	7,953	6,047
Janitorial supplies	2,000	2,000	106	1,894
Bank charges	-	-	3	(3)
Repairs and maintenance				
Buildings	15,000	15,000	24,046	(9,046)
Equipment	2,500	2,500	17,072	(14,572)
Telephone	14,000	14,000	26,190	(12,190)
Property and equipment rental	3,200	3,200	3,519	(319)
Gas and oil	2,600	2,600	4,826	(2,226)
Total Administrative	392,700	392,700	388,545	4,155
MAINTENANCE				
Salaries	580,000	580,000	534,627	45,373
Health insurance	115,000	115,000	128,554	(13,554)
Retirement	60,000	60,000	72,477	(12,477)
Deferred compensation match	17,000	17,000	13,509	3,491
Payroll taxes	550	550	538	12
Worker's compensation	24,000	24,000	27,705	(3,705)
Unemployment insurance	-	-	58	(58)
Uniforms	4,500	4,500	3,876	624
Employment physicals and testing	2,500	2,500	4,249	(1,749)
Travel	750	750	50	700
Repairs and maintenance				
Buildings	20,000	20,000	15,947	4,053
Equipment	-	-	-	-

(CONTINUED)

WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA

GENERAL FUND
SCHEDULE OF EXPENDITURES - BUDGET AND ACTUAL (CONTINUED)
FOR THE YEAR ENDED JUNE 30, 2002

	BUDGETED AMOUNTS		BUDGETARY ACTUAL	VARIANCE WITH FINAL BUDGET POSITIVE (NEGATIVE)
	ORIGINAL	FINAL		
Insurance - vehicles	20,000	20,000	45,277	(25,277)
Utilities	27,500	27,500	32,406	(4,906)
Telephone	3,000	3,000	3,560	(560)
Property and equipment rental	35,000	35,000	8,262	26,738
Parts and supplies	78,500	78,500	53,967	24,533
Outside repairs	42,000	42,000	66,540	(24,540)
Small tools and equipment	2,500	2,500	4,272	(1,772)
Gas and oil	38,500	38,500	21,618	16,882
Vehicle supplies	1,400	1,400	170	1,230
Tires	7,200	7,200	9,621	(2,421)
Levee supplies	140,000	140,000	50,345	89,655
General supplies	8,500	8,500	13,457	(4,957)
Total Maintenance	1,228,400	1,228,400	1,111,085	117,315
NON-DEPARTMENTAL				
Insurance premiums	150,200	150,200	149,489	711
Claims and judgments	10,000	10,000	12,030	(2,030)
Ad valorem tax withholdings and commissions				
Assessor	5,500	5,500	3,725	1,775
Sheriff	5,500	5,500	4,032	1,468
State retirement systems	106,000	106,000	122,309	(16,309)
	277,200	277,200	291,585	(14,385)
DEBT SERVICE				
Principal	-	-	-	-
Interest	-	-	-	-
CAPITAL OUTLAY				
Property, plant and equipment	360,000	360,000	299,006	60,994
Levee construction projects	-	-	-	-
TOTAL EXPENDITURES	2,396,550	2,396,550	2,230,668	165,882

**WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA**

**EMERGENCY FUND - SPECIAL REVENUE FUND
SCHEDULE OF EXPENDITURES
For The Year Ended June 30, 2002**

	<u>ACTUAL</u>
MAINTENANCE	
PERSONNEL	
Physicals	\$ 115
TOTAL PERSONNEL	<u> 115</u>
 OPERATING	
Property and equipment rental	4,732
Supplies - general	16,377
TOTAL OPERATING	<u> 21,109</u>
TOTAL EXPENDITURES	<u>\$ 21,224</u>

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**WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA**

**WEST OF HARVEY CANAL - CAPITAL PROJECT FUND
SCHEDULE OF EXPENDITURES BY REACH
For The Year Ended June 30, 2002**

East of Harvey (Reach #500)	
Board Attorney	\$ 8,200
Other consultants	9,000
Total East of Harvey	<u>17,200</u>
First Avenue Canal (Reach #505)	
Board Attorney	158
Surveys/testing	7,102
Appraisal fees	2,750
Engineering	318,580
Construction costs	2,020,352
Total First Avenue Canal	<u>2,348,942</u>
Algiers Canal (Reach #510)	
Board Attorney	1,050
Engineering	669,175
Total Algiers Canal	<u>670,225</u>
Hero to Cousins Pump Station E/S (Reach #520)	
Surveys/testing	400
Total Hero to Belle Chasse W/S	<u>400</u>
Sector Gate Complex (Reach #530)	
Board Attorney	38,475
Abstract and title fees	800
Surveys/testing	778
Engineering	36,522
Appraisal fees	2,000
Land	1,202,993
Relocation	274,450
Total Sector Gate Complex	<u>1,556,018</u>
Cousins Pump Station (Reach #535)	
Board Attorney	475
Abstract and title fees	900
Engineering	186,979
Appraisal fees	2,250
Total Cousins Pump Station	<u>190,604</u>
Cousins Pump Station - Discharge (Reach #545)	
Construction costs	76,602
Total Cousins Pump Station - Discharge	<u>76,602</u>
Cousins Pump Station/Culvert (Reach #550)	
Engineering	12,548
Total Cousins Pump Station/Culvert	<u>12,548</u>
Cataouatche Levee (Reach #800)	
Board Attorney	8,100
Surveys/testing	3,521
Purchase of servitudes	29,955
Total Cataouatche Levee	<u>41,576</u>
Lake Cataouatche Pump Station to Hwy (Reach #820)	
Appraisal fees	7,000
Total Project Management	<u>7,000</u>

(Continued)

**WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA**

**WEST OF HARVEY CANAL - CAPITAL PROJECT FUND
SCHEDULE OF EXPENDITURES BY REACH (CONTINUED)
For The Year Ended June 30, 2002**

Project Management (Reach #900)	
Other attorneys	11,750
Other consultants	22,900
Interest on Anticipation Notes	19,799
Bank charges	12,779
	<u>67,228</u>
Total Project Management	
Old Westwego to New Westwego (Reach #910)	
Salaries	78,408
Board Attorney	125
Surveys/testing	10,705
Engineering	700
Construction costs	752
Levee supplies	37,389
Equipment rental	745,203
	<u>873,282</u>
Total Old Westwego to New Westwego	
Westwego Airport Floodwall (Reach #911)	
Board Attorney	9,475
Other attorneys	30,635
	<u>40,110</u>
Total Westwego Airport Floodwall	
Ames Pump to Highway 45 (Reach #917)	
Board Attorney	5,200
Surveys/testing	1,350
	<u>6,550</u>
Total Ames Pump to Highway 45	
Highway 45 (Reach #920)	
Other attorneys	834
	<u>834</u>
Total Highway 45	
V-Line East (Reach #935)	
Other attorneys	1,760
	<u>1,760</u>
Total V-Line East	
Estelle Pump Station to Cousins (Reach #940)	
Construction costs	533,670
Equipment rental	715
	<u>534,385</u>
Total Estelle Pump Station to Cousins	
TOTAL EXPENDITURES	\$ <u>6,445,264</u>

**WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA**

**LAFITTE LEVEE - CAPITAL PROJECT FUND
SCHEDULE OF EXPENDITURES BY REACH
For The Year Ended June 30, 2002**

Project Management (Reach #800)	
Engineering	\$ 1,530
Equipment rental	59,681
Levee supplies	907
Total Project Management	<u>62,118</u>
Lafitte Levee Project (Reach #810)	
Engineering	6,900
Equipment rental	2,840
Total Lafitte Levee Project	<u>9,740</u>
Lower Goose Bayou (Reach #815)	
Engineering	8,700
Total Lower Goose Bayou	<u>8,700</u>
Barataria Levee Project (Reach #820)	
Engineering	333
Total Barataria Levee Project	<u>333</u>
Gloria Drive Project (Reach #825)	
Board Attorney	8,650
Total Gloria Drive Project	<u>8,650</u>
Fisher Basin Levee (Reach #826)	
Board Attorney	500
Surveys/testing	25,182
Total Fisher Basin Levee	<u>25,682</u>
TOTAL EXPENDITURES	\$ <u>115,223</u>

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SUPPLEMENTAL INFORMATION

**WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA**

**SCHEDULE OF COMMISSIONERS' PER DIEMS
For The Year Ended June 30, 2002**

<u>NAME</u>	<u>NUMBER OF REGULAR MEETINGS</u>	<u>NUMBER OF EMERGENCY MEETINGS</u>	<u>PER DIEM PAID</u>
Diann Amstutz	31	-	\$ 2,325
Anthony Caramonta	36	-	2,700
Clarence Guidry	28	-	2,100
Ron Jones	36	-	2,700
Byron Lee	27	-	2,025
Tommy Plaisance	36	-	2,700
Catherine Soutullo	36	-	2,700
Peter Territo	36	-	2,700
			\$ <u>19,950</u>

In addition, Harry Cahill serves as both the President of the District and a Commissioner. He receives an annual salary of \$12,000.

**WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA**

**SCHEDULE OF STATE FUNDING
For The Year Ended June 30, 2002**

<u>DESCRIPTION OF FUNDING</u>	<u>AMOUNT</u>
State Revenue Sharing	\$ 397,054
DOTD Levee Maintenance Contract	-
Statewide Flood Control - #576-26-04	775,724
DOTD State Project No. 750-99-0102	3,955,692
TOTAL	\$ <u>5,128,470</u>

**WEST JEFFERSON LEVEE DISTRICT
STATE OF LOUISIANA**

**SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended June 30, 2002**

FEDERAL AGENCY/ PROGRAM TITLE	CFDA NUMBER	GRANT/ PROJECT NUMBER	GRANT PERIOD	
			FROM	TO
DIRECT ASSISTANCE				
FEDERAL EMERGENCY MANAGEMENT AGENCY				
Passed through State Department of Military Affairs: Emergency Disaster - Public Assistance Grants	83.544	FEMA 1380 DR-LA	N/A	N/A
INDIRECT ASSISTANCE				
U.S. Army Corps of Engineers West Bank Hurricane Protection Levee	Unknown	N/A	N/A	N/A
TOTAL FEDERAL ASSISTANCE				

(1) These amounts represent the indirect assistance received under a Local Cooperative Agreement with the corps of Engineers. the Water Resources & Development Acts of 1986 and 1996 provided for the construction of a hurricane protection levee within the District's boundaries. Pursuant to the agreement, the District, LA-DOTD, and the U.S. Army Corps of Engineers are constructing the levee as a joint-venture. LA-DOTD and the District are to provide 35 percent of the cost as a local match (i.e., the "non-federal" share). This "non-federal" share is to be made up of expropriations, easements, land acquisitions, and relocation assistance. Although no direct financial assistance is received, of the \$312.0 million project cost, \$203.0 is federal and \$109.0 is non-federal. For the year ended June 30, 2001, the U.S. Army Corps of Engineers was scheduled to provide \$10,955,000 to the project, while the District expended \$6,445,264 on the West Bank Hurricane Protection Levee Project. Despite the fact that no direct federal assistance is received, this cooperative agreement program will be treated as a "major" program under OMB Circular A-133.

NOTES TO SCHEDULE:

1. This schedule is prepared on the full accrual (GAAP) basis of accounting.
2. All revenues and expenditures recognized by the District during its fiscal year are reflected on this schedule.

<u>TOTAL GRANT AWARD</u>	<u>ACCRUED (DEFERRED) REVENUE JUNE 30, 2001</u>	<u>CASH/ ASSISTANCE RECEIVED DURING YEAR</u>	<u>ACCRUED (DEFERRED) REVENUE JUNE 30, 2002</u>	<u>TOTAL REVENUE RECOGNIZED</u>	<u>TOTAL FEDERAL EXPENDITURES</u>
\$ <u>-</u>	\$ <u>-</u>	\$ 13,969	\$ <u>-</u>	\$ <u>13,969</u>	\$ 13,969
N/A		10,955,000			10,955,000 (1)
		\$ <u>10,968,969</u>			\$ <u>10,968,969</u>

(Agency Name)

STATE OF LOUISIANA

Annual Financial Statements

June 30, 2002

C O N T E N T S

TRANSMITTAL LETTER
AFFIDAVIT

Statements

MD&A

Statement of Net Assets	A
Statement of Revenues, Expenses, and Changes in Fund Net Assets	B
Statement of Activities	C
Statement of Cash Flows	D

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Schedules

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2	Schedule of State Funding
3	Schedules of Long-Term Debt
4	Schedules of Long-Term Debt Amortization

STATE OF LOUISIANA
Annual Financial Statements
Fiscal Year Ending June 30, 2002

WEST JEFFERSON LEVEE DISTRICT
(Agency Name)

Division of Administration
Office of Statewide Reporting
and Accounting Policy
P. O. Box 94095
Baton Rouge, Louisiana 70804-9095

Legislative Auditor
P. O. Box 94397
Baton Rouge, Louisiana 70804-9397

AFFIDAVIT

Personally came and appeared before the undersigned authority, Chip Cahill, President (Name)
(Title) of WEST JEFFERSON LEVEE DISTRICT (Agency) who duly sworn, deposes and says, that the
financial statements herewith given present fairly the financial position of
(agency) at June 30, 2002 and the results of operations for the year then ended in accordance with
policies and practices established by the Division of Administration or in accordance with Generally
Accepted Accounting Principles as prescribed by the Governmental Accounting Standards Board.
Sworn and subscribed before me, this 23rd day of AUGUST, 2002.

Signature of Agency Official

NOTARY PUBLIC

Prepared by: PAUL C. RIVERA, CPA

Title: _____

Telephone No.: 504-371-4390

Date: 8/23/02

STATE OF LOUISIANA

WEST JEFFERSON LEVEE DISTRICT (BTA)

MANAGEMENT'S DISCUSSION AND ANALYSIS

AS OF JUNE 30, 2002

The Management's Discussion and Analysis of the District's's (BTA) financial performance presents a narrative overview and analysis of District's's (BTA) financial activities for the year ended June 30, 2002. This document focuses on the current year's activities, resulting changes, and currently known facts in comparison with the prior year's information. Please read this document in conjunction with the additional information contained in the transmittal letter presented on pages N/A and the District's's (BTA) financial statements, which begin on page .

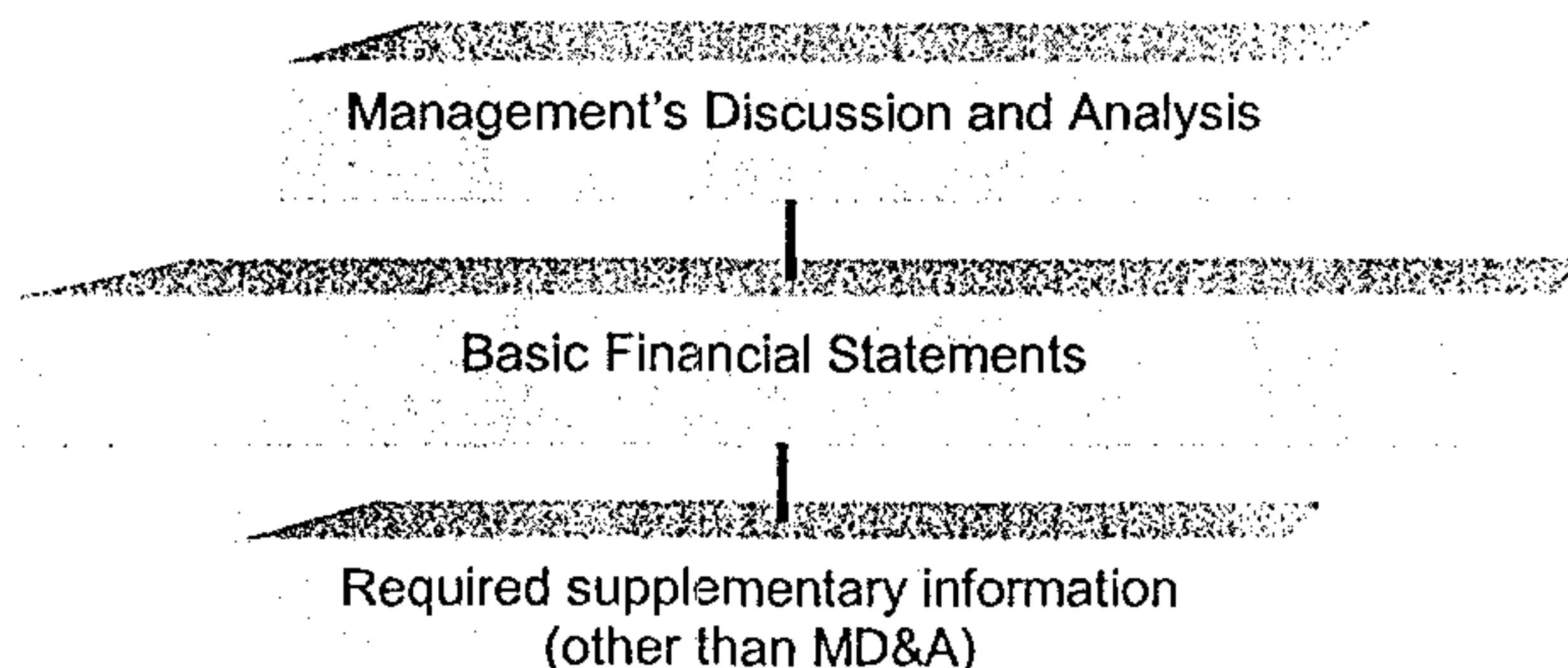
FINANCIAL HIGHLIGHTS

- ★ The District's's (BTA) assets exceeded its liabilities at the close of fiscal year 2002 by \$45,186 which represents a 9.7% increase from last fiscal year. ~~The net assets decreased by \$~~ (or %).
- ★ The District's's (BTA) revenue ^{increased} 23 (or ^{0.2} 1%) and the net results from activities increased by \$ N/A (or %).

★
★
★
★

OVERVIEW OF THE FINANCIAL STATEMENTS

The following graphic illustrates the minimum requirements for Special Purpose Governments Engaged in Business-Type Activities established by Governmental Accounting Standards Board Statement 34, Basic Financial Statements—and Management's Discussion and Analysis—for State and Local Governments.



These financial statements consist of three sections - Management's Discussion and Analysis (this section), the basic financial statements (including the notes to the financial statements), and required supplementary information.

STATE OF LOUISIANA

WEST DEERFIELD LEVEE DISTRICT (BTA)
MANAGEMENT'S DISCUSSION AND ANALYSIS
 AS OF JUNE 30, 2002

Basic Financial Statements

The basic financial statements present information for the District (BTA) as a whole, in a format designed to make the statements easier for the reader to understand. The statements in this section include the Statement of Net Assets; the Statement of Revenues, Expenses, and Changes in Fund Net Assets; and the Statement of Cash Flows.

The Statement of Net Assets (pages ___ - ___) presents the current and long term portions of assets and liabilities separately. The difference between total assets and total liabilities is net assets and may provide a useful indicator of whether the financial position of the District (BTA) is improving or deteriorating.

The Statement of Revenues, Expenses, and Changes in Fund Net Assets (pages ___ - ___) presents information showing how District's (BTA) assets changed as a result of current year operations. Regardless of when cash is affected, all changes in net assets are reported when the underlying transactions occur. As a result, there are transactions included that will not affect cash until future fiscal periods.

The Cash Flow Statement (pages ___ - ___) presents information showing how District's (BTA) cash changed as a result of current year operations. The cash flow statement is prepared using the direct method and includes the reconciliation of operating income(loss) to net cash provided(used) by operating activities (indirect method) as required by GASB 34.

FINANCIAL ANALYSIS OF THE ENTITY

Statement of Net Assets
 as of June 30, 02
 (in thousands)

	Total	
	2002	2001
Current and other assets	\$ 5,711	\$
Capital assets	41,293	
Total assets	47,004	0
Other liabilities	986	N/A
Long-term debt outstanding	831	
Total liabilities	1,817	0
Net assets:		
Invested in capital assets, net of debt	40,673	
Restricted	119	
Unrestricted	4,395	
Total net assets	\$ 45,187	\$ 0

Restricted net assets represent those assets that are not available for spending as a result of legislative requirements, donor agreements, grant requirements, debt svc. Conversely, unrestricted net assets are those that do not have any limitations on what these amounts may be used for.

STATE OF LOUISIANA

WEST JEFFERSON LEVEE DISTRICT (BTA)

MANAGEMENT'S DISCUSSION AND ANALYSIS

AS OF JUNE 30, 2002

Net assets of District's (BTA) ^{increased} decreased by \$ 5,861, or 14.9%, from June 30, 2001 to June 30, 2002. One of the major causes of this decrease is the inclusion of infrastructure assets. This class of asset, which includes roads, bridges, and levees, was not included in general fixed assets of _____ (BTA) under the basis of accounting prior to adoption of GASB Statement 34. Other causes include _____.

Statement of Revenues, Expenses, and Changes in Fund Net Assets
for the years ended June 30, 02
(in thousands)

	Total	
	2002	2001
Operating revenues	\$ <u>71</u>	\$
Operating expenses	<u>2514</u>	
Operating income(loss)	<u>(2443)</u>	<u>0</u>
Non-operating revenues(expenses)	<u>8304</u>	<u>N/A</u>
Income(loss) before transfers	<u>5861</u>	<u>0</u>
Transfers in	<u>-</u>	
Transfers out	<u>-</u>	
Net increase(decrease) in net assets	\$ <u>5,861</u>	\$ <u>0</u>

The District's (BTA) total revenues ^{decreased} increased by \$ 23 or 0.2%. The total cost of all programs and services increased by \$ N/A or less than ____%.
(2001 not restated)

CAPITAL ASSET AND DEBT ADMINISTRATION

Capital Assets

At the end of 2002, the District (BTA) had \$ 40,673 invested in a broad range of capital assets, including property, plant & equipment, as well as infrastructure (levees, floodwalls, etc.). (See Table below). This amount represents a net increase (including additions and deductions) of \$ 6,275, or 17.9%, over last year.

STATE OF LOUISIANA

WEST DEFEEDING LEVEE DISTRICT (BTA)

MANAGEMENT'S DISCUSSION AND ANALYSIS

AS OF JUNE 30, 2002Capital Assets at Year-end
(Net of Depreciation, in thousands)

	2002	2001
Land	\$ 6,211	\$ 6,211
Buildings and improvements	753	828
Equipment	681	551
Infrastructure	15,886	15,642
Construction in progress	17,862	11,886
Totals \$	<u>41,393</u>	<u>\$ 35,118</u>

This year's major additions included (in thousands):

- \$263 on new tractors and mowers
- Construction in progress - \$5,476.
-

Debt

The District (BTA) had \$ 720 thousand in bonds and notes outstanding at year-end, compared to \$ 880 thousand last year, an decrease of 18.1 % as shown in the table below.

Outstanding Debt at Year-end
(in thousands)

	2002	2001
General Obligation Bonds	\$ -	\$ -
Revenue Bonds and Notes	720	880
Totals \$	<u>720</u>	<u>\$ 880</u>

New debt resulted from N/A.

The N/A (BTA)'s bond rating continues to carry the _____ rating for general obligation bonds, and _____ rating for other debt.

The N/A (BTA) has claims and judgments of \$ _____ outstanding at year-end compared with \$ _____ last year. Other obligations include accrued vacation pay and sick leave.

STATE OF LOUISIANA

WEST JEFFERSON LEVEE DISTRICT (BTA)

MANAGEMENT'S DISCUSSION AND ANALYSIS

AS OF JUNE 30, 2002

VARIATIONS BETWEEN ORIGINAL AND FINAL BUDGETS

Revenues were approximately \$ 298 thousand million over under budget and expenditures were more than less than budget due in part to less levee supplies (\$89) and salaries (\$49) in the maintenance department.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The District's (BTA) elected and appointed officials considered the following factors and indicators when setting next year's budget, rates, and fees. These factors and indicators include:

- Property tax millage remains at 5.03
- Continuing money from state capital outlay for WB Hurricane levee.
-

The _____ (BTA) expects that next year's results will improve based on the following :

-
- N/A
-

CONTACTING THE District'S (BTA) MANAGEMENT

This financial report is designed to provide our citizens, taxpayers, customers, and investors and creditors with a general overview of the District's (BTA) finances and to show the District's (BTA) accountability for the money it receives. If you have questions about this report or need additional financial information, contact

Board President, West Jefferson Levee District, 7001 River Road,
Morrell, LA 70072.

AS OF June 30, 2002

40,673,370

118,720

4,394,815

45,186,905

47,003,738

STATE OF LOUISIANA

WEST DEER LEVEE DIST (BTA)

STATEMENT OF REVENUES, EXPENSES, AND CHANGES IN FUND NET ASSETS
FOR THE YEAR ENDED June 30, 2002

OPERATING REVENUES

Sales of commodities and services
Assessments
Use of money and property
Licenses, permits, and fees
Other
Total operating revenues

\$ -
-
-
54,198
16,798
70,996

OPERATING EXPENSES

Cost of sales and services
Administrative
Depreciation
Amortization
Total operating expenses

-
1,957,842
556,547
-
2,514,389

Operating income(loss)

(2,443,393)

NON-OPERATING REVENUES(EXPENSES)

State appropriations
Intergovernmental revenues (expenses)
Taxes
Use of money and property
Gain (loss) on disposal of fixed assets
Federal grants
Interest expense
Other
Total non-operating revenues(expenses)

474,862
397,054
2815,893
411,022
(27,773)
-
(40,565)
8,304,255

Income(loss) before contributions and transfers

5,860,862

Capital contributions
Transfers in
Transfers out

-
-
-

Change in net assets

5,860,862

Total net assets -- beginning as restated

39,326,043

Total net assets -- ending

\$ 45,186,905

The accompanying notes are an integral part of this financial statement.

Statement B

STATE OF LOUISIANA

WEST DEER LODGE DIST (BTA)

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2002

	Program Revenues			Net (Expense)	
		Operating	Capital	Revenue and	
	Charges for	Grants and	Grants and	Changes in	
<u>Expenses</u>	<u>Services</u>	<u>Contributions</u>	<u>Contributions</u>	<u>Net Assets</u>	
Component Unit:					
Component Unit X	\$ <u>2,554,954</u>	\$ <u>257</u>	\$ <u>-</u>	\$ <u>4,748,624</u>	\$ <u>2,143,527</u>
General revenues:					
Taxes					<u>2,815,893</u>
State appropriations					<u>397,054</u>
Grants and contributions not restricted to specific programs					<u>-</u>
Interest					<u>411,022</u>
Miscellaneous					<u>74,739</u>
Special items (Loss) on sale of equipment					<u>(27,773)</u>
Transfers					<u>-</u>
Total general revenues, special items, and transfers					<u>3,666,935</u>
Change in net assets					<u>5,860,862</u>
Net assets - beginning					<u>39,326,043</u>
Net assets - ending					\$ <u>45,186,905</u>

STATE OF LOUISIANA

WEST DEPT. LEVEE DIST (BTA)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED) June 30, 2002**Cash flows from operating activities**

Cash received from customers \$ -
 Cash payments to suppliers for goods and services (857,591)
 Cash payments to employees for services (1,070,721)
 Payments in lieu of taxes -
 Internal activity-payments to other funds -
 Claims paid to outsiders -
 Other operating revenues(expenses) 70,996
 Net cash provided(used) by operating activities (1,857,316)

Cash flows from non-capital financing activities

State appropriations 397,054
 Proceeds from sale of bonds -
 Principal paid on bonds -
 Interest paid on bond maturities -
 Proceeds from issuance of notes payable -
 Principal paid on notes payable -
 Interest paid on notes payable -
 Operating grants received -
 Other (+/-) 2,815,893
 Transfers in -
 Transfers out -
 Net cash provided(used) by non-capital financing activities 3,212,947

Cash flows from capital and related financing

Proceeds from sale of bonds -
 Principal paid on bonds (160,000)
 Interest paid on bond maturities (40,565)
 Proceeds from issuance of notes payable 849,179
 Principal paid on notes payable (1,026,989)
 Interest paid on notes payable -
 Acquisition/construction of capital assets (5929,133)
 Proceeds from sale of capital assets -
 Capital contributions -
 Other (Rec'd + State appropriations) 4442,504
 Net cash provided(used) by capital and related financing activities (1,865,004)

Cash flows from investing activities

Purchases of investment securities -
 Proceeds from sale of investment securities 2205,213
 Interest and dividends earned on investment securities 411,022
 Net cash provided(used) by investing activities 2,616,235

Net increase(decrease) in cash and cash equivalents 2,106,862

Cash and cash equivalents at beginning of year 3,002,864

Cash and cash equivalents at end of year \$ 5,109,726

The accompanying notes are an integral part of this statement.

STATE OF LOUISIANA

WEST DEPT LOUVE DIST (BTA)

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED June 30, 2002

Reconciliation of operating income(loss) to net cash provided(used) by operating activities:

Operating income(loss)		\$ (2,443,393)
Adjustments to reconcile operating income(loss) to net cash		
Depreciation/amortization	556,547	
Provision for uncollectible accounts		
Changes in assets and liabilities:		
(Increase)decrease in accounts receivable		
(Increase)decrease in due from other funds		
(Increase)decrease in prepayments		
(Increase)decrease in inventories		
(Increase)decrease in other assets		
Increase(decrease) in accounts payable		
Increase(decrease) in accrued payroll and related benefits	25,954	
Increase(decrease) in compensated absences payable	3,576	
Increase(decrease) in due to other funds		
Increase(decrease) in deferred revenues		
Increase(decrease) in other liabilities		
Net cash provided(used) by operating activities		\$ (1,857,316)

Schedule of noncash investing, capital, and financing activities:

Borrowing under capital lease	
Contributions of fixed assets	
Purchases of equipment on account	
Asset trade-ins	
Other (specify)	
Total noncash investing, capital, and financing activities:	0

(Concluded)

The accompanying notes are an integral part of this statement.

Statement D

STATE OF LOUISIANA

West Jefferson Parish (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 2002

INTRODUCTION

The District (BTA) was created by the Louisiana State Legislature under the provisions of Louisiana Revised Statute Act 820 of 1980. The following is a brief description of the operations of District (BTA) which includes the parish/parishes in which the (BTA) is located:

A. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING

In April of 1984, the Financial Accounting Foundation established the Governmental Accounting Standards Board (GASB) to promulgate generally accepted accounting principles and reporting standards with respect to activities and transactions of state and local governmental entities. The GASB has issued a Codification of Governmental Accounting and Financial Reporting Standards (GASB Codification). This codification and subsequent GASB pronouncements are recognized as generally accepted accounting principles for state and local governments. The accompanying financial statements have been prepared in accordance with such principles.

The accompanying financial statements of West Jefferson Parish present information only as to the transactions of the programs of the District as authorized by Louisiana statutes and administrative regulations.

Basis of accounting refers to when revenues and expenses are recognized and reported in the financial statements. Basis of accounting relates to the timing of the measurements made, regardless of the measurement focus applied.

The accounts of the District are maintained in accordance with applicable statutory provisions and the regulations of the Division of Administration - Office of Statewide Reporting and Accounting Policy as follows:

Revenue Recognition

Revenues are recognized using the full accrual basis of accounting; therefore, revenues are recognized in the accounting period in which they are earned and become measurable.

Expense Recognition

Expenses are recognized on the accrual basis; therefore, expenses, including salaries, are recognized in the period incurred, if measurable.

B. BUDGETARY ACCOUNTING

The appropriations made for the operations of the various programs of the District (BTA) are annual lapsing appropriations.

1. The budgetary process is an annual appropriation valid for one year.
2. The agency is prohibited by statute from over expending the categories established in the budget.
3. Budget revisions are granted by the Joint Legislative Budget Committee, a committee of the Louisiana Legislature. Interim emergency appropriations may be granted by the Interim Emergency Board.
4. The budgetary information included in the financial statements include the original appropriation plus subsequent amendments as follows:

STATE OF LOUISIANA

WEST CREEK LEVEE DIST (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 2002

APPROPRIATIONS

Original approved budget (exp + transfers)

\$ 3097,150

Amendments:

(None)

Final approved budget

\$ 3097,150

C. DEPOSITS WITH FINANCIAL INSTITUTIONS AND INVESTMENTS (If all agency cash and investments are deposited in the State Treasury, disregard Note C.)

1. DEPOSITS WITH FINANCIAL INSTITUTIONS

For reporting purposes, deposits with financial institutions include savings, demand deposits, time deposits, and certificates of deposit. Under state law the District (BTA) may deposit funds within a fiscal agent bank selected and designated by the Interim Emergency Board. Further, the (BTA) may invest in time certificates of deposit of state banks organized under the laws of Louisiana, national banks having their principal office in the state of Louisiana, in savings accounts or shares of savings and loan associations and savings banks and in share accounts and share certificate accounts of federally or state chartered credit unions.

For the purpose of the Statement of Cash Flows, all highly liquid investments (including restricted assets with a maturity of three months or less when purchased) are considered to be cash equivalents.

Deposits in bank accounts are stated at cost, which approximates market. Under state law these deposits must be secured by federal deposit insurance or the pledge of securities owned by the fiscal agent bank. The market value of the pledged securities plus the federal deposit insurance must at all times equal the amount on deposit with the fiscal agent. These pledged securities are held in the name of the pledging fiscal agent bank in a holding or custodial bank in the form of safekeeping receipts held by the State Treasurer. The deposits at June 30, 2002, were secured as follows:

	Deposits in bank accounts			Total
	Cash	Certificates of Deposit	Other (Describe)	
Deposits in bank accounts per balance sheet	\$ <u>5109,726</u>	\$ <u>-</u>	\$ <u>-</u>	\$ <u>5109,726</u>
Bank balances:				
1. Insured or collateralized with securities held by the entity or its agency <u>in the entity's name</u>	<u>6026,037</u>	<u>-</u>	<u>-</u>	<u>6026,037</u>
2. Collateralized with securities held by the pledging institution's trust department or agent <u>in the entity's name</u>	<u> </u>	<u> </u>	<u> </u>	<u>0</u>
3. Uncollateralized, including any securities held for the entity <u>but not in the entity's name</u>	<u> </u>	<u> </u>	<u> </u>	<u>0</u>
Total bank balances	\$ <u>6026,037</u>	\$ <u> </u>	\$ <u> </u>	\$ <u>6026,037</u>

NOTE: The "Total Bank Balances" will not necessarily equal the "Deposits in Bank Account per Balance Sheet".

The following is a breakdown by banking institution, program, account number, and amount of the balances shown above:

STATE OF LOUISIANA

West Jefferson Parish (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 2002

	<u>Banking institution</u>	<u>Program</u>	<u>Amount</u>
1.	<u>H. Servis Bank</u>		\$ <u>6026,037</u>
2.			
3.			
4.			
Total			\$ <u>6026,037</u>

Were uncollateralized securities fitting the description in (3) above during the year significantly greater than at N/A (last day of your fiscal year)? If yes, attach a statement listing the amount(s) and a reason for this occurrence.

Cash in State Treasury and petty cash are not required to be reported in the note disclosure. However, to aid in reconciling amounts reported on the balance sheet to amounts reported in this note, list below any cash in treasury and petty cash that are included in the balance sheet.

Cash in State Treasury	\$ <u>N/A</u>
Petty cash	\$ <u>1</u>

2. INVESTMENTS

Upon implementation of GASB Statement 31, reported amount and fair value will often be the same number.

The District (BTA) does (does not) maintain investment accounts as authorized by _____ (Note legal provisions authorizing investments by (BTA)).

Investments can be classified according to the level of risk to the entity. Using the following categories, list each type of investment disclosing the carrying amount, market value, and applicable category of risk.

Category 1 - Insured or registered in the entity's name, or securities held by the entity or its agent in the entity's name.

Category 2 - Uninsured and unregistered with securities held by the counterparty's trust department or agent in the entity's name.

Category 3 - Unsecured and unregistered with securities held by the counterparty, or by its trust department or agent but not in the entity's name.

Certain types of investments cannot appropriately be categorized. These are to be listed separately at the end of the schedule in the space provided.

STATE OF LOUISIANA

WEST DEFF LEVEE DIST (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 2002

Type of Investment	Category of Risk			Reported Amount	Fair Value
	1	2	3		
Repurchase agreements	\$	\$	\$	0	\$
U.S. Government securities				0	
Common & preferred stock				0	
Commercial paper				0	
Corporate bonds			N/A	0	
Other: (identify)				0	
				0	
				0	
				0	
				0	
Total categorized investments	\$ 0	\$ 0	\$ 0	\$ 0	\$ 0
Investments not categorized: (list separately)					
Total investments				\$ 0	\$ 0

3. Other Disclosures Required for Investments

- a. Investments in pools managed by other governments or mutual funds N/A
- b. Securities underlying reverse repurchase agreements N/A
- c. Unrealized investment losses N/A
- d. Commitments as of N/A (fiscal close), to resell securities under yield maintenance repurchase agreements:
- Carrying amount and market value at June 30 of securities to be resold
 - Description of the terms of the agreement
- e. Investment types owned during the year but not owned as of June 30 U.S. Govt securities
- f. Losses during the year due to default by counterparties to deposit or investment transactions N/A
- g. Amounts recovered from prior-period losses which are not shown separately on the balance sheet N/A

Legal or Contractual Provisions for Reverse Repurchase Agreements

STATE OF LOUISIANA

WEST DEFF LEVER DIST (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 2022

- h. Source of legal or contractual authorization for use of reverse repurchase agreements N/A
- i. Significant violations of legal or contractual provisions for reverse repurchase agreements that occurred during the year N/A

Reverse Repurchase Agreements as of the Balance Sheet Date

- j. Credit risk related to the reverse repurchase agreements outstanding at balance sheet date, that is, the aggregate amount of reverse repurchase agreement obligations including accrued interest compared to aggregate market value of the securities underlying those agreements including interest N/A
- k. Commitments on _____ (fiscal close), to repurchase securities under yield maintenance agreements _____
- l. Market value on _____ (fiscal close), of the securities to be repurchased _____
- m. Description of the terms of the agreements to repurchase _____
- n. Losses recognized during the year due to default by counterparties to reverse repurchase agreements _____
- o. Amounts recovered from prior-period losses which are not separately shown on the operating statement _____

Fair Value Disclosures

- p. Methods and significant assumptions used to estimate fair value of investments, if fair value is not based on quoted market prices N/A
- q. Basis for determining which investments, if any, are reported at amortized cost if maturity is less than 90 days from 3/31 date
- r. For investments in external investment pools that are not SEC-registered, a brief description of any regulatory oversight for the pool N/A
- s. Whether the fair value of your investment in the external investment pool is the same as the value of the pool shares _____
- t. Any involuntary participation in an external investment pool _____
- u. Whether you are unable to obtain information from a pool sponsor to determine the fair value of your investment in the pool, methods used and significant assumptions made in determining that fair value and the reasons for having had to make such an estimate _____

STATE OF LOUISIANA

WEST ORR LEVUE DIST (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 2002

- v. Any income from investments associated with one fund that is assigned to another fund _____

N/A**D. CAPITAL ASSETS**

The fixed assets used in the Special Purpose Government Engaged only in Business-Type Activities are included on the statement of net assets of the entity and are capitalized at cost. Depreciation of all exhaustible fixed assets used by the entity are charged as an expense against operations. Accumulated depreciation is reported on the balance sheet. Depreciation for financial reporting purposes is computed by the straight-line method over the useful lives of the assets.

Year ended June 30, 2002							
	Balance 6/30/2001	Additions	Transfers *	Retirements	Balance 6/30/2002	Prior Period Adjustment	Adjusted Balance 6/30/2002
Capital assets not being depreciated							
Land	6,211,545	--	--	--	6,211,545	--	6,211,545
Non-depreciable land improvements	--	--	--	--	--	--	--
Capitalized collections	--	--	--	--	--	--	--
Construction in progress	11,885,362	5,976,848	--	--	17,862,210	--	17,862,210
 Total capital assets not being depreciated	 18,096,907	 5,976,848	 --	 --	 24,073,755	 --	 24,073,755
Other capital assets							
Furniture, fixtures, and equipment	14,075,529	299,000	--	(149,849)	15,566,866	--	15,566,866
Less accumulated depreciation	855,563	142,387	--	(122,076)	875,874	--	875,874
Total furniture, fixtures, and equipment	551,966	156,613	--	(27,773)	6,808,122	--	6,808,122
Buildings and improvements	1,862,686	--	--	--	1,862,686	--	1,862,686
Less accumulated depreciation	1,035,325	745,079	--	--	1,109,832	--	1,109,832
Total buildings and improvements	827,361	(745,079)	--	--	752,854	--	752,854
Depreciable land improvements	--	--	--	--	--	--	--
Less accumulated depreciation	--	--	--	--	--	--	--
Total depreciable land improvements	--	--	--	--	--	--	--
Infrastructure	17,642,206	583,639	--	--	18,225,845	--	18,225,845
Less accumulated depreciation	2,050,243	339,653	--	--	2,389,896	--	2,389,896
Total infrastructure	15,641,963	243,986	--	--	15,885,949	--	15,885,949
 Total other capital assets	 17,021,290	 326,048	 --	 (27,773)	 17,319,615	 --	 17,319,615
Capital Asset Summary:							
Capital assets not being depreciated	18,096,907	5,976,848	--	--	24,073,755	--	24,073,755
Other capital assets, at cost	20,962,421	882,645	--	(149,849)	21,695,217	--	21,695,217
Total cost of capital assets	39,059,328	6,859,493	--	(149,849)	45,768,972	--	45,768,972
Less accumulated depreciation	3,441,131	556,542	--	(122,076)	4,375,602	--	4,375,602
 Capital assets, net	 35,118,197	 6,302,946	 --	 (27,773)	 41,393,370	 --	 41,393,370

* Should be used only for those completed projects coming out of construction-in-progress to fixed assets; not associated with transfers reported elsewhere in this packet.

STATE OF LOUISIANA
WEST JEFFERSON DIST (BTA)
Notes to the Financial Statement
As of and for the year ended June 30, 2002

E. INVENTORIES

The unit's inventories are valued at N/A (method of valuation). These are perpetual inventories and are expensed when used.

F. RESTRICTED ASSETS

Restricted assets in the N/A (BTA) at _____ (fiscal year end), reflected at \$ _____ in the current assets section on Statement A, consist of \$ _____ in cash with fiscal agent, \$ _____ in receivables, and \$ _____ investment in _____ (identify the type investments held.)

Restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the non-current assets section on Statement A, consist of \$ _____ in cash with fiscal agent, \$ _____ in receivables, and \$ _____ investment in _____ (identify the type investments held.)

G. LEAVE

1. COMPENSATED ABSENCES

The District (BTA) has the following policy on annual and sick leave: (Describe leave policy.)

~~An example disclosure follows:~~

Employees earn and accumulate annual and sick leave at various rates depending on their years of service. The amount of annual and sick leave that may be accumulated by each employee is unlimited. Upon termination, employees or their heirs are compensated for up to 300 hours of unused annual leave at the employee's hourly rate of pay at the time of termination. Upon retirement, unused annual leave in excess of 300 hours plus unused sick leave is used to compute retirement benefits.

The cost of leave privileges, computed in accordance with GASB Codification Section C60, is recognized as a current year expenditure in the General Fund when leave is actually taken; it is recognized in the enterprise funds when the leave is earned. The cost of leave privileges applicable to general government operations not requiring current resources is recorded in the general long-term obligations account group.

2. COMPENSATORY LEAVE

Employees who are considered having non-exempt status according to the guidelines contained in the Fair Labor Standards Act may be paid for compensatory leave earned (K-time). Upon termination or transfer, an employee will be paid for any time and one-half compensatory leave earned and may or may not be paid for any straight hour-for-hour compensatory leave earned. Compensation paid will be based on the employees' hourly rate of pay at termination or transfer. The liability for accrued payable compensatory leave at N/A (fiscal close) computed in accordance with the Codification of Governmental Accounting and Financial Reporting Standards, Section C60.105 is estimated to be \$ _____. The leave payable (is) (is not) recorded in the accompanying financial statements.

H. RETIREMENT SYSTEM

Substantially all of the employees of the (BTA) are members of the La State Employees Retirement System (System), a cost sharing multiple-employer, defined benefit pension plan. The System is a statewide public employee retirement system (PERS) for the benefit of state employees, which is administered and controlled by a separate board of trustees.

STATE OF LOUISIANA

WEST JEFFERSON DIST (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 2002

All full-time (BTA) employees are eligible to participate in the System. Benefits vest with 10 years of service. At retirement age, employees are entitled to annual benefits equal to \$300 plus 2.5% of their highest consecutive 36 months' average salary multiplied by their years of credited service.

Vested employees are entitled to a retirement benefit, payable monthly for life at (a) any age with 30 years of service, (b) age 55 with 25 years of service, or (c) age 60 with 10 years of service. In addition, vested employees have the option of reduced benefits at any age with 20 years of service. The System also provides death and disability benefits. Benefits are established or amended by state statute. The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the State Employees Retirement System, Post Office Box 44213, Baton Rouge, Louisiana 70804-4213, or by calling (225) 922-0608 or (800) 256-3000.

Members are required by state statute to contribute 7.5% of gross salary, and the (BTA) is required to contribute at an actuarially determined rate as required by R.S. 11:102. The contribution rate for the fiscal year ended June 30, 2002, decreased to 13 % of annual covered payroll from the 7 % and 7 % required in fiscal years ended June 30, 2001 and 2000, respectively. The (BTA) contributions to the System for the years ending June 30, 2002, 2001, and 2000, were \$96,436, \$92,375, and \$87,794, respectively, equal to the required contributions for each year.

I. POST RETIREMENT HEALTH CARE AND LIFE INSURANCE BENEFITS

GASB 12 requires the following disclosures about an employer's accounting for post retirement health care and life insurance benefits:

1. A description of the benefits provided and the employee group covered.
2. A description of the accounting and funding policies followed for those benefits.
3. The cost of those benefits recognized for the period, unless the costs are not readily determinable.**
4. The effect of significant matters affecting the comparability of the costs recognized for all periods presented.

**If the cost of any post retirement health care or life insurance benefits cannot readily be separated from the cost of providing such benefits for active employees or otherwise be reasonably approximated, the total cost of providing those benefits to active employees and retirees, as well as the number of active employees and the number of retirees covered by the plan must be disclosed.

Substantially all (BTA) employees become eligible for post employment health care, dental and life insurance benefits if they reach normal retirement age while working for the (BTA). These benefits for retirees and similar benefits for active employees are provided through an insurance company whose premiums are paid jointly by the employee and the (BTA). For 2001, the cost of providing those benefits for the retirees totaled \$ N/A.

The West Jefferson (BTA) provides certain continuing health care and life insurance benefits for its retired employees. Substantially all (BTA) employees become eligible for those benefits if they reach normal retirement age while working for the (BTA). Those benefits for retirees and similar benefits for active employees are provided through an insurance company whose monthly premiums are paid jointly by the employee and by the (BTA). The (BTA) recognizes the cost of providing these benefits ((BTA)'s portion of premiums) as an expenditure when paid during the year, which was \$ 164,610 for the year ended June 30 2002. The cost of providing those benefits for 9 retirees is not separable from the cost of providing benefits for the district's active employees. ~~(or, The (BTA)'s cost of providing retiree health care and life insurance benefits are recognized as expenditures when the monthly premiums are paid. For the year ended , 20 the costs of retiree benefits totaled \$.)~~

STATE OF LOUISIANA
WEST DEER LEASE 9/5 (BTA)
 Notes to the Financial Statement
 As of and for the year ended June 30, 2002

J. LEASES

1. OPERATING LEASES

The total payments for operating leases during fiscal year _____ amounted to \$ _____. A schedule of payments for operating leases follows:

Nature of lease	FY2003	FY2004	FY2005	FY2006	FY2007	FY2008- 2012	FY2013- 2015
	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____
Total	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>0</u>

2. CAPITAL LEASES

Capital leases are (are not) recognized in the accompanying financial statements. The amounts to be accrued for capital leases and the disclosures required for capital and operating leases by National Council on Governmental Accounting (NCGA) Statement No. 5, as adopted by the Governmental Accounting Standards Board, and FASB 13 should be reported on the following schedules:

Capital leases are defined as an arrangement in which any one of the following conditions apply: (1) ownership transfers by the end of the lease, (2) the lease contains a bargain purchase option, (3) the lease term is 75% of the asset life or, (4) the discounted minimum lease payments are 90% of the fair market value of the asset.

Nature of lease	Date of lease	Last payment date	Remaining interest to end of lease	Remaining principal to end of lease	Fund that pays lease
a. Office space			\$ _____	\$ _____	
b. Equipment					
c. Land					
Total			\$ <u>0</u>	\$ <u>0</u>	

The following is a schedule by years of future minimum lease payments under capital leases together with the present value of the net minimum lease payments as of (last day of your fiscal year) and a breakdown of yearly principal and interest:

Year ending June 30, :	Total
2003	\$ _____
2004	_____
2005	_____
2006	_____
2007	_____
2008-2012	_____
2013-2015	_____
Total minimum lease payments	_____ 0
Less amounts representing executory costs	_____
Net minimum lease payments	_____ 0
Less amounts representing interest	_____
Present value of net minimum lease payments	\$ _____ 0

3. LESSOR DIRECT FINANCING LEASES

A lease is classified as a direct financing lease (1) when any one of the four capitalization criteria used to define a capital lease for the lessee is met and (2) when both the following criteria are satisfied:

- Collectibility of the minimum lease payments is reasonably predictable.
- No important uncertainties surround the amount of the unreimbursable costs yet to be incurred by the lessor under the lease.

Provide a general description of the direct financing agreement, and complete the chart below:

<u>Composition of lease</u>	<u>Date of lease</u>	<u>Minimum lease payment receivable</u>
a. Office space	_____	\$ _____
b. Equipment	_____	_____
c. Land	_____	_____
Less amounts representing executory costs		_____
Minimum lease payment receivable		_____ 0
Less allowance for doubtful accounts		_____
Net minimum lease payments receivable		_____ 0
Less unearned income		_____
Net investment in direct financing lease		\$ _____ 0

Minimum lease payments do not include contingent rentals which may be received as stipulated in the lease contracts. Contingent rental payments occur if for example the use of the equipment, land, or building etc., exceeds a certain level of activity each year. Contingent rentals received for fiscal year 2002 were \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

STATE OF LOUISIANA

WEST DEER LEVEE DIST (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 2002

The following is a schedule by year of minimum leases receivable for the remaining fiscal years of the lease as of _____ (the last day of your fiscal year):

Year ending _____:	
2003	\$ _____
2004	_____
2005	_____
2006	_____
2007	_____
2008-2012	_____
2013-2017	_____
Total	\$ _____ 0

4. LESSOR – OPERATING LEASE

When a lease agreement does not satisfy at least one of the four criteria (common to both lessee and lessor accounting), and both of the criteria for a lessor (collectibility and no uncertain reimbursable costs), the lease is classified as an operating lease. In an operating lease, there is no simulated sale and the lessor simply records rent revenues as they become measurable and available.

Provide the cost and carrying amount, if different, of property on lease or held for lease organized by major class of property and the amount of accumulated depreciation as of _____ 20____:

	Cost	Accumulated depreciation	Carrying amount
a. Office space	\$ _____	\$ _____	\$ _____
b. Equipment	_____	_____	_____
c. Land	_____	_____	_____
Total	\$ _____ 0	\$ _____ 0	\$ _____ 0

The following is a schedule by years of minimum future rentals on non-cancelable operating lease(s) as of _____ (the last day of your fiscal year):

Year Ended June 30,	Office Space	Equipment	Land	Other	Total
2003	\$ _____	\$ _____	\$ _____	\$ _____	\$ _____ 0
2004	_____	_____	_____	_____	_____ 0
2005	_____	_____	_____	_____	_____ 0
2006	_____	_____	_____	_____	_____ 0
2007	_____	_____	_____	_____	_____ 0
2008-2012	_____	_____	_____	_____	_____ 0
2013-2015	_____	_____	_____	_____	_____ 0
Total	\$ _____ 0	\$ _____ 0	\$ _____ 0	\$ _____ 0	\$ _____ 0

Contingent rentals received from operating leases/received for your fiscal year was \$ _____ for office space, \$ _____ for equipment, and \$ _____ for land.

STATE OF LOUISIANA

WEST DEER LEVUE DIST (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 20⁰²

K. LONG-TERM LIABILITIES

The following is a summary of long-term debt transactions of the entity for the year ended June 30, 20⁰²

	Balance June 30, 2001	Year ended June 30, 2002		Balance June 30, 2002	Amounts due within one year
		Additions	Reductions		
Bonds and notes payable:					
Notes payable	\$	\$	\$	\$ --	\$
Reimbursement contracts payable				--	--
Bonds payable	880,000		(160,000)	720,000	170,000
Total notes and bonds	880,000	--	(160,000)	720,000	170,000
Other liabilities:					
Contracts payable				--	--
Compensated absences payable	106,926	3576	-	110,502	110,502
Capital lease obligations				--	--
Liabilities payable from restricted assets				--	--
Claims and litigation				--	--
Other long-term liabilities				--	--
Total other liabilities	106,926	3576	--	110,502	110,502
Total long-term liabilities	986,926	3576	(160,000)	830,502	280,502

A detailed summary, by issues, of all debt outstanding at June 30, 20⁰², including outstanding interest of \$ 86,825 is shown on schedule 4. Schedule 5 is an amortization schedule of the outstanding debt. (Send a copy of the amortization schedule for any new debt issued.)

L. LITIGATION

1. The District (BTA) is a defendant in litigation seeking damages as follows:

Date of Action	Description of Litigation	Primary Attorney	Damages Claimed	Insurance Coverage
	Various (all covered by insurance)		\$	\$
Totals			\$ 0	\$ 0

The N/A (BTA)'s legal advisor estimates that potential claims not covered by insurance would affect the financial statement as follows (would not materially affect the financial statements or is unable to estimate the effect on the financial statement): N/A

2. Claims and litigation costs of \$ _____ were incurred in the current year and are reflected in the accompanying financial statement.

STATE OF LOUISIANA

WEST DEPT LEVY DIST (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 2002

M. RELATED PARTY TRANSACTIONS

(FASB 57 requires disclosure of the description of the relationship, the transaction(s), the dollar amount of the transaction(s) and any amounts due to or from which result from related party transactions. List all related party transactions).

N/A

N. ACCOUNTING CHANGES

Accounting changes made during the year involved a change in accounting principle (principle, estimate, error or entity). The effect of the change is being shown in Note H + I to FIS

O. IN-KIND CONTRIBUTIONS

(List all in-kind contributions that are not included in the accompanying financial statements.)

<u>In-Kind Contributions</u>	<u>Cost/Estimated Cost/Fair Market Value/As Determined by the Grantor</u>
	\$
N/A	
Total	\$ 0

P. DEFEASED ISSUES

In _____, the _____ (BTA), issued \$_____ of taxable bonds. The purpose of the issue was to provide monies to advance refund portions of _____ bonds. In order to refund the bonds, portions of the proceeds of the new issue \$_____, plus an additional \$_____ of sinking fund monies together with certain other funds and/or securities, were deposited and held in an escrow fund created pursuant to an escrow deposit agreement dated _____ between the (BTA) and the escrow trustee. The amount in the escrow, together with interest earnings, will be used to pay the principal, redemption premium, and interest when due. The refunding resulted in reducing the total debt service payments by almost \$_____ and gave the (BTA) an economic gain (difference between the present values of the debt service payments on the old and new debt of \$_____).

Q. COOPERATIVE ENDEAVORS

LRS 33:9022 defines cooperative endeavors as any form of economic development assistance between and among the state of Louisiana, its local governmental subdivisions, political corporations, public benefit corporations, the United States government or its agencies, or any public or private association, corporation, or individual. The term cooperative endeavor includes cooperative financing, cooperative development, or any form of cooperative economic development activity. The state of Louisiana has

As of and for the year ended June 30, 2002

NOTE: In order to compute your ending balances by funding source, you should begin with your balances at June 30, 2001. These amounts will be increased by amounts for new contracts and amendments and decreased for payments as well as for liquidations.

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STATE OF LOUISIANA

WEST DEPT. LEVUE DIST (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 2022

The N/A (BTA) uses a revolving line of credit to finance bonds.

Short-term debt activity for the year ended June 30, 2022, was as follows:

	Reason for Debt	Beginning Balance	Draws	Redeemed	Ending Balance
Line of credit		\$	\$	\$	\$ 0

U. DISAGGREGATION OF RECEIVABLE BALANCES

Receivables at June 30, 2022, were as follows:

Activity	Customer Receivables	Taxes	Receivables from other Governments	Other Receivables	Total Receivables
<u>YB Hurricane Levee</u>	\$	\$	\$ <u>500,642</u>	\$	\$ <u>500,642</u>
					0
Gross receivables	\$ 0	\$ 0	\$ <u>500,642</u>	\$ 0	\$ <u>500,642</u>
Less allowance for uncollectible accounts	0	0	0	0	0
Receivables, net	\$ <u>0</u>	\$ <u>0</u>	\$ <u>500,642</u>	\$ <u>0</u>	\$ <u>500,642</u>

Amounts not scheduled
for collection during the
subsequent year

\$	\$	\$	\$	\$	0
----	----	----	----	----	---

V. DISAGGREGATION OF PAYABLE BALANCES

Payables at June 30, 2022, were as follows:

Activity	Vendors	Salaries and Benefits	Accrued Interest	Other Payables	Total Payables
<u>Gen Fund</u>	\$ <u>926,876</u>	\$ <u>39,455</u>	\$ -	\$ -	\$ <u>966,331</u>
<u>Miss Gwadelupe</u>	<u>5,000</u>				<u>5,000</u>
Total payables	\$ <u>931,876</u>	\$ <u>39,455</u>	\$ <u>0</u>	\$ <u>0</u>	\$ <u>971,331</u>

W. SUBSEQUENT EVENTS

[Disclose any material event(s) affecting the (BTA) occurring between the close of the fiscal period and issuance of the financial statement.]

Notes to the Financial Statement

As of and for the year ended June 30, 2002

X. SEGMENT INFORMATION

Governments that report enterprise funds or that use enterprise fund accounting and reporting standards to report their activities are required to present segment information for those activities in the notes to the financial statements. For the purposes of this disclosure, a segment is an identifiable activity (or group of activities), reported as or within an enterprise fund or an other stand-alone entity that has one or more bonds or other debt instruments outstanding, with a revenue stream pledged in support of that debt. In addition, the activity's revenues, expenses, gains and losses, assets, and liabilities are required to be accounted for separately. This requirement for separate accounting applies if imposed by an external party, such as accounting and reporting requirements set forth in bond indentures. Disclosure requirements for each segment should be met by identifying the types of goods and services provided and by presenting condensed financial statements in the notes, including the elements in A through C below (GASB 34, paragraph 122, as modified by GASB 37, paragraph 17.)

Type of goods or services provided by the segment N/A

A. Condensed statement of net assets:

- (1) Total assets – distinguishing between current assets, capital assets, and other assets. Amounts receivable from other funds or BTA's should be reported separately.
- (2) Total liabilities – distinguishing between current and long-term amounts. Amounts payable to other funds or BTA's should be reported separately.
- (3) Total net assets – distinguishing among restricted; unrestricted; and amounts invested in capital assets, net of related debt.

Condensed Statement of Net Assets:

	Segment #1	Segment #2
Current assets	\$ <u>N/A</u>	\$ _____
Due from other funds	_____	_____
Capital assets	_____	_____
Other assets	_____	_____
Current liabilities	_____	_____
Due to other funds	_____	_____
Long-term liabilities	_____	_____
Restricted net assets	_____	_____
Unrestricted net assets	_____	_____
Invested in capital assets, net of related debt	_____	_____

B. Condensed statement of revenues, expenses, and changes in net assets:

- (1) Operating revenues (by major source).
- (2) Operating expenses. Depreciation (including any amortization) should be identified separately.
- (3) Operating income (loss).
- (4) Nonoperating revenues (expenses) – with separate reporting of major revenues and expenses.
- (5) Capital contributions and additions to permanent and term endowments.
- (6) Special and extraordinary items.
- (7) Transfers
- (8) Change in net assets.
- (9) Beginning net assets.
- (10) Ending net assets.

Condensed Statement of Revenues, Expenses, and Changes in Net Assets:

STATE OF LOUISIANA

WEST OFF LEVUE DIST (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 2002

Condensed Statement of Revenues, Expenses, and Changes in Net Assets:

	Segment #1	Segment #2
Operating revenues	\$ <u>N/A</u>	\$ _____
Operating expenses	_____	_____
Depreciation and amortization	_____	_____
Operating income (loss)	_____ 0	_____ 0
Nonoperating revenues (expenses)	_____	_____
Capital contributions/additions to permanent and term endowments	_____	_____
Special and extraordinary items	_____	_____
Transfers in	_____	_____
Transfers out	_____	_____
Change in net assets	_____ 0	_____ 0
Beginning net assets	_____	_____
Ending net assets	_____ 0	_____ 0

C. Condensed statement of cash flows:

- (1) Net cash provided (used) by:
 - (a) Operating activities
 - (b) Noncapital financing activities
 - (c) Capital and related financing activities
 - (d) Investing activities
- (2) Beginning cash and cash equivalent balances
- (3) Ending cash and cash equivalent balances

Condensed Statement of Cash Flows:

	Segment #1	Segment #2
Net cash provided (used) by operating activities	\$ _____	\$ _____
Net cash provided (used) by noncapital financing activities	_____	_____
Net cash provided (used) by capital and related financing activities	_____	_____
Net cash provided (used) by investing activities	_____	_____
Beginning cash and cash equivalent balances	_____	_____
Ending cash and cash equivalent balances	_____ 0	_____ 0

Y. DUE TO/DUE FROM AND TRANSFERS

1. List by fund type the amounts due from other funds detailed by individual fund at your fiscal year end:

Type of Fund	Name of Fund	Amount
<u>General Fund</u>	<u>General Fund</u>	\$ <u>1172,309</u>
<u>Capital Project</u>	<u>W.B. Thruway Levee</u>	<u>20,851</u>
Total due from other funds		\$ <u>1193,160</u>

STATE OF LOUISIANA
WEST DEEP LEVEE DIST (BTA)
 Notes to the Financial Statement
 As of and for the year ended June 30, 2002

2. List by fund type the amounts due to other funds detailed by individual fund at fiscal year end:

Type of Fund	Name of Fund	Amount
<u>Special Revenue</u>	<u>Emergency</u>	\$ <u>10,882</u>
<u>Capital Project</u>	<u>WB Hurricane</u>	<u>1161,427</u>
	<u>Levee</u>	<u>20,851</u>
Total due to other funds		\$ <u>1193,160</u>

3. List by fund type all transfers from other funds for the fiscal year:

Type of Fund	Name of Fund	Amount
<u>Debt Service</u>	<u>Sinking Fund</u>	\$ <u>200,600</u>
<u>Capital Project</u>	<u>Levee</u>	<u>500,000</u>
Total transfers from other funds		\$ <u>700,600</u>

4. List by fund type all transfers to other funds for the fiscal year:

Type of Fund	Name of Fund	Amount
<u>General Fund</u>	<u>General Fund</u>	\$ <u>(700,600)</u>
Total transfers to other funds		\$ <u>(700,600)</u>

Z. LIABILITIES PAYABLE FROM RESTRICTED ASSETS

Liabilities payable from restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the current liabilities section on Statement A, consist of \$ _____ in accounts payable, \$ _____ in notes payable, and \$ _____ in _____.

N/A

Liabilities payable from restricted assets in the _____ (BTA) at _____ (fiscal year end), reflected at \$ _____ in the non-current liabilities section on Statement A, consist of \$ _____ in accounts payable, \$ _____ in notes payable, and \$ _____ in _____.

AA. PRIOR-YEAR RESTATEMENT OF NET ASSETS

The following adjustments were made to restate beginning net assets for June 30, 2002

STATE OF LOUISIANA

WEST JEFFERSON LEVEL DISB (BTA)

Notes to the Financial Statement

As of and for the year ended June 30, 20⁰²

	Fund balance July 1, 2001, previously reported	Adjustments + or (-)	Beginning net assets, July 1, 2001, As restated
		\$	\$
① General fund	606,831	(422,076)	184,755 --
① Life Insurance	1,113,323	422,076	1,535,399 --
			--
			--
② Total	5194,772	34,131,271	39,326,043 --

Each adjustment must be explained in detail on a separate sheet.

(NOTE: Net Assets at July 1, 20⁰², previously reported, must correspond to Net Assets at June 30, 20⁰², per the information received from OSRAP.)

- ① restatement to correct prior year error. Transfer between funds should have been recorded in prior year.
- ② Change in accounting principles - prior year fund balance was increased by \$34,131,271 to show the net effect of implementing GASB #34.

STATE OF LOUISIANA
WEST DEPT CORP (BTA)
 SCHEDULE OF PER DIEM PAID TO BOARD MEMBERS
 For the Year Ended June 30, 02
 (Fiscal Close)

<u>Name</u>	<u>Amount</u>
	\$ _____

(See page 58	_____
of Financial Report)	_____

	\$ <u>19,950</u>

SCHEDULE 1

STATE OF LOUISIANA
WEST DEER CREEK DIST (BTA)
 SCHEDULE OF STATE FUNDING
 For the Year Ended 6/30/02
 (Fiscal Close)

<u>Description of Funding</u>	<u>Amount</u>
1. _____	\$ _____
2. _____	_____
3. _____	_____
4. _____	_____
5. _____	_____
6. _____	_____
7. _____	_____
8. _____	_____
9. _____	_____
10. _____	_____
Total	\$ <u>5,128,470</u>

SCHEDULE 2

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
		\$ _____	\$ _____	\$ _____	\$ _____		\$ _____
			N/A				
Total		\$=====	\$=====	\$=====	\$=====		\$=====

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STATE OF LOUISIANA
WEST DEFEASIBLE TRUST (BTA)
SCHEDULE OF NOTES PAYABLE
_____, 20____
(Fiscal close)

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
New Anticipation	4/27/01	\$ 5,000,000	\$ 192,810	834,179 \$(1,026,989)	\$ —	4.52	\$ —
Gen. Contingency	3/6/02	\$ 2,450,000	0 -	15,000	15,000	4.52	—
Total		\$	\$	\$	\$		\$

*Send copies of new amortization schedules

N/A - reverse / grant anticipation notes
which will be drawn down as
needed.

STATE OF LOUISIANA
WEST BERRILL LEONARD DIST (BTA)
SCHEDULE OF BONDS PAYABLE
6/30, 2022
(Fiscal close)

Issue	Date of Issue	Original Issue	Principal Outstanding 6/30/PY	Redeemed (Issued)	Principal Outstanding 6/30/CY	Interest Rates	Interest Outstanding 6/30/CY
1996 OREPS revenue	1/31/97	\$ 142,000	\$ 880,000	\$ (160,000)	\$ 720,000	4.4% 4.8	\$ 86.825
Total		\$ 142,000	\$ 880,000	\$ (160,000)	\$ 720,000		\$ 86.825

- *Send copies of new amortization schedules

STATE OF LOUISIANA
WEST DEPT LEVY DIST (BTA)
SCHEDULE OF REIMBURSEMENT CONTRACTS PAYABLE AMORTIZATION
 For The Year Ended 6/30/22
 (Fiscal Close)

Fiscal Year Ending:	Principal	Interest
2003	\$ _____	\$ _____
2004	_____	_____
2005	_____	_____
2006	_____	_____
2007	_____	_____
2008-2012	_____	_____
2013-2017	_____	_____
2018-2022	_____	_____
2023-2027	_____	_____
Total	\$ <u> -- </u>	\$ <u> -- </u>

SCHEDULE 4-A

STATE OF LOUISIANA
POST OFFICE LEASE DISC (BTA)
SCHEDULE OF CAPITAL LEASE AMORTIZATION
 For The Year Ended June 30, 2002

Fiscal Year Ending:	Payment	Interest	Principal	Balance
2003	\$ _____	\$ _____	\$ _____	\$ _____
2004	_____	_____	_____	_____
2005	_____	_____	_____	_____
2006	_____	_____	_____	_____
2007	_____	_____	_____	_____
2008-2012	_____	_____	_____	_____
2013-2017	_____	_____	_____	_____
2018-2022	_____	_____	_____	_____
2023-2027	_____	_____	_____	_____
Total	\$ <u>_____</u>	\$ <u>_____</u>	<u>_____</u>	<u>_____</u>

SCHEDULE 4-B

STATE OF LOUISIANA
WESTGORE LEVEE DIST (BTA)
 SCHEDULE OF NOTES PAYABLE AMORTIZATION
 For The Year Ended June 30, 2007

Fiscal Year Ending:	Principal	Interest
2003	\$ _____	\$ _____
2004	_____	_____
2005	_____	_____
2006	_____ <i>N/A</i> _____	_____
2007	_____	_____
2008-2012	_____	_____
2013-2017	_____	_____
2018-2022	_____	_____
2023-2027	_____	_____
Total	\$ _____	\$ _____

STATE OF LOUISIANA
WEST GERRARD LEVEE DIST (BTA)
SCHEDULE OF BONDS PAYABLE AMORTIZATION
 For The Year Ended June 30, 2002

Fiscal Year Ending:	Principal	Interest
2003	\$ <u>170,000</u>	\$ <u>33,535</u>
2004	<u>170,000</u>	<u>25,875</u>
2005	<u>185,000</u>	<u>18,055</u>
2006	<u>195,000</u>	<u>9,360</u>
2007	<u> </u>	<u> </u>
2008-2012	<u> </u>	<u> </u>
2013-2017	<u> </u>	<u> </u>
2018-2022	<u> </u>	<u> </u>
2023-2027	<u> </u>	<u> </u>
Total	\$ <u><u>720,000..</u></u>	\$ <u><u>86,825 ..</u></u>

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SINGLE AUDIT SECTION

**INDEPENDENT AUDITOR'S REPORT ON
COMPLIANCE AND ON INTERNAL CONTROL
OVER FINANCIAL REPORTING BASED ON AN
AUDIT PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS**

Board of Commissioners
West Jefferson Levee District
Marrero, Louisiana

I have audited the basic financial statements of the West Jefferson Levee District (the "District"), a component unit of the State of Louisiana, as of and for the year ended June 30, 2002, and have issued my report thereon dated August 23, 2002. I conducted my audit in accordance with auditing standards generally accepted in the United States and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States.

Compliance

As part of obtaining reasonable assurance about whether the District's financial statements are free of material misstatement, I performed tests of its compliance with certain provisions of laws, regulations, contracts and grants, noncompliance with which could have a direct and material effect on the determination of financial statement amounts. However, providing an opinion on compliance with those provisions was not an objective of my audit and, accordingly, I do not express such an opinion. The results of my tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

Internal Control over Financial Reporting

In planning and performing my audit, I considered the District's internal control over financial reporting in order to determine our auditing procedures for the purpose of expressing my opinion on the financial statements and not to provide assurance on the internal control over financial reporting. My consideration of the internal control over financial reporting would not necessarily disclose all matters in the internal control over financial reporting that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components does not reduce to a relatively low level the risk that misstatements in amounts that would be material in relation to the financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over financial reporting and its operation that I consider to be material weaknesses.

This report is intended for the information of the Board of Commissioners, management, all applicable Federal and State agencies, and the Legislative Auditor of the State of Louisiana, and is not intended to be and should not be used by anyone other than these specified parties.

Paul C. Rivers, CPA

August 23, 2002

**INDEPENDENT AUDITOR'S REPORT
ON COMPLIANCE WITH REQUIREMENTS
APPLICABLE TO EACH MAJOR PROGRAM AND
INTERNAL CONTROL OVER COMPLIANCE
IN ACCORDANCE WITH OMB CIRCULAR A-133**

Board of Commissioners
West Jefferson Levee District
Marrero, Louisiana

Compliance

I have audited the compliance of the West Jefferson Levee District (the "District"), a component unit of the State of Louisiana, with the types of compliance requirements described in the *U.S. Office of Management and Budget (OMB) Circular A-133 Compliance Supplement* that are applicable to each of its major federal programs for the year ended June 30, 2002. The District's major federal programs are identified in the Summary of Auditor's Results section of the Schedule of Findings and Questioned Costs. Compliance with the requirements of laws, regulations, contracts and grants applicable to each of its major federal programs is the responsibility of the District's management. My responsibility is to express an opinion on the District's compliance based on my audit.

I conducted my audit of compliance in accordance with auditing standards generally accepted in the United States; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and OMB Circular A-133, *Audits of States, Local Governments, and Non-Profit Organizations*. Those standards and OMB Circular A-133 require that I plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the District's compliance with those requirements and performing such other procedures as I considered necessary in the circumstances. I believe that my audit provides a reasonable basis for my opinion. My audit does not provide a legal determination on the District's compliance with those requirements.


In my opinion, the District complied, in all material respects, with the requirements referred to above that are applicable to each of its major federal programs for the year ended June 30, 2002.

Internal Control over Compliance

The management of the District is responsible for establishing and maintaining effective internal control over compliance with requirements of laws, regulations, contracts and grants applicable to federal programs. In planning and performing my audit, I considered the District's internal control over compliance with requirements that could have a direct and material effect on a major federal program in order to determine my auditing procedures for the purpose of expressing my opinion on compliance and to test and report on internal control over compliance in accordance with OMB Circular A-133.

My consideration of the internal control over compliance would not necessarily disclose all matters in the internal control that might be material weaknesses. A material weakness is a condition in which the design or operation of one or more of the internal control components *does not reduce to a relatively low level the risk that noncompliance with applicable* requirements of laws, regulations, contracts and grants that would be material in relation to a major federal program being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. I noted no matters involving the internal control over compliance and its operation that I consider to be material weaknesses.

This report is intended for the information of the Board of Commissioners, management, all applicable Federal and State agencies, and the Legislative Auditor of the State of Louisiana, and is not intended to be and should not be used by anyone other than these specified parties.


August 23, 2002

WEST JEFFERSON LEVEE DISTRICT
State of Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS
For the Fiscal Year Ended June 30, 2002

Summary of Auditor's Results

1. The auditor's report expresses an unqualified opinion on the basic financial statements of the West Jefferson Levee District (the "District"), a component unit of the State of Louisiana, as of and for the year ended June 30, 2002.
2. No material weaknesses or reportable conditions in internal control relating to the audit of the financial statements are reported in the Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit Performed in Accordance With *Government Auditing Standards*.
3. No instances of noncompliance material to the financial statements of the District are reported in the Independent Auditor's Report on Compliance and on Internal Control Over Financial Reporting Based on an Audit Performed in Accordance With *Government Auditing Standards*.
4. No material weaknesses or reportable conditions in internal control relating to the audit of the major federal award programs are reported in the Independent Auditor's Report on Compliance with Requirements Applicable to Each Major Program and Internal Controls Over Compliance in Accordance With OMB Circular A-133.
5. The auditor's report on compliance for the major federal award programs for the District expresses an *unqualified opinion on all major federal programs*.
6. There are no findings relative to the major federal awards programs for the District that require disclosure under OMB Circular A-133.
7. The programs tested as major federal award programs include"

CFDA	Program Name
Unknown	Water Resources and Development Act, Westbank Hurricane Protection Levee

8. The threshold for distinguishing Type A and Type B programs was \$300,000 (although it should be noted that the Westbank Hurricane Protection Levee project is being conducted under a "cooperative endeavor agreement" and no direct federal assistance was received).
9. The District was not considered to be a "low-risk" auditee.

WEST JEFFERSON LEVEE DISTRICT
State of Louisiana

SCHEDULE OF FINDINGS AND QUESTIONED COSTS (CONTINUED)
For the Fiscal Year Ended June 30, 2002

Findings Relating to the Financial Statements

COMPLIANCE WITH LAWS AND REGULATIONS

NONE

REPORTABLE CONDITIONS

NONE

Findings and Questioned Costs - Major Federal Award Program Audit

NONE

Status of Prior Year Findings and Questioned Costs

THERE WERE NO FINDINGS IN PRIOR YEAR